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EAST SIDE GAMES GROUP ANNOUNCES NON-BROKERED PRIVATE PLACEMENT OF UNITS TO RAISE UP TO $3.5 MILLION

VANCOUVER, BC, April 30, 2026 /CNW/ - East Side Games Group (TSX: EAGR) (OTC: EAGRF) (the "Company"), Canada's leading free-to-play mobile game group, announces a non-brokered private placement of 31,818,182 units (a "**Unit**") at $0.11 per Unit (the "Unit Price"), for total gross proceeds of up to $3.5 million.

Each Unit will be comprised of one common share and one full whole warrant (a "**Warrant**"). Each whole Warrant will be exercisable at $0.14 per share (the "Exercise Price") for a period of three years from issuance. The Warrants will be subject to standard anti-dilution adjustments.

The private placement will be offered in reliance on prospectus exemptions, and any securities sold will be subject to a four month statutory hold period. The private placement is not anticipated to have any material impact on the control of the Company, nor is it anticipated that any new control persons would be created as a result of the private placement.

It is anticipated that Derek Lew, a director of the Company, will participate in the private placement for an amount of $1.0 million for 9,090,909 Units. As at the date of this news release, Mr. Lew holds 1,667,244 common shares of the Company (2.17%). If the private placement is completed as anticipated, Mr. Lew will hold 10,758,153 common shares (representing 9.89% of the common shares anticipated to be outstanding upon completion of the private placement on a partially diluted basis), 9,090,909 Warrants and 250,000 incentive stock options. Upon exercise of his Warrants, Mr. Lew would own 19,849,062 common shares representing 16.84% of the then issued and outstanding common shares assuming no other share issuances.

The TSX Company Manual requires shareholder approval be obtained for private placements if the maximum number of common shares issuable under the private placement represents an amount that is more than 25% of the total outstanding common shares as at the date of the press release (pursuant to Section 607(g)). Disinterested shareholder approval must be obtained (excluding those shareholders participating in this private placement and their associates and affiliates) if the number of common shares issued and issuable to insiders under a private placement exceeds 10% of the Company's issued and outstanding common shares as of the date hereof (pursuant to Section 607(g)(ii)).

As: (a) the private placement is for up to 31,818,182 Units (being equivalent to 41.35% of the Company's outstanding shares as at the date of this press release), (b) Mr. Lew's subscription for 9,090,909 Units represents an amount that is equivalent to 11.81% of the Company's outstanding shares as at the date of this press release, and (c) the Warrants comprising the Units have an exercise price of $0.14 per share (and the five day VWAP is $0.144 per share), the Company has obtained written consent from Jason Bailey, the Company's CEO and a director, in support of the private placement in accordance with Section 604(d) of the TSX Company Manual. Mr. Bailey holds more than 50% of the Company's outstanding shares as at the date of this press release.

The net proceeds from the private placement will be used to repay indebtedness owing to the Royal Bank of Canada (RBC) and for operating expenses and general working capital. Mr. Bailey commented, *"With this funding in place, we are on solid footing to continue our disciplined approach to completing the business's turnaround. With our core portfolio of well performing titles, we have a solid foundation to rebuild upon. We feel we have a strong runway, pipeline and team to execute toward a positive 2026," [and] "I'd like to thank our existing shareholders for their support and guidance through a difficult 2025 and look forward to achieving the results that will allow this Company, our capital markets strategy and employees to reach its potential."*

The Company's board of directors considers the private placement to be in the best interests of its shareholders, after having taken into account other alternative forms of financing. In the course of its review, the Company considered other replacement debt financing, the Company's ongoing cashflow from operations, as well as ongoing operating expenses, one-off necessary expenditures and the Company's debt load, within the larger context of the analysis detailed in its press release dated March 31, 2026 as to the re-orienting of the Company's overall business strategy.

The Company anticipates that the private placement will close on or before May 8, 2026, subject to acceptance by the TSX.

The Company reserves the right to pay finder's fees in the form of common shares (in lieu of cash fees) and broker warrants to arm's length finders in connection with the private placement to arm's length parties, in accordance with TSX policies. No finder's fee will be paid to any non-arm's length parties, nor with respect to subscriptions from non-arm's length parties. A maximum number of 1,363,636 common shares (to be issued at $0.11 per share for a total value of $150,000) and a maximum number of 1,254,545 broker warrants will be issuable, assuming the private placement is fully subscribed. Each broker warrant will entitle the holder to acquire one common share at $0.14 per common share (the "Broker Warrant Exercise Price") for a period of three years form issuance.

The maximum number of securities issuable under the private placement is 66,254,545 common shares, comprising 31,818,182 common shares comprising the Units, 31,818,182 common shares issuable upon exercise of the Warrants, 1,363,636 common shares to be issued as finder's fees, and 1,254,545 common shares issuable upon exercise of the broker warrants, which represents an amount equivalent to 86.10% of the total outstanding common shares as at the date of this press release on a non-diluted basis, without taking into effect the private placement itself, or approximately 46.27% of the Company's total issued and outstanding common shares following completion of the private placement (being 143,200,825 shares anticipated to be outstanding on a partially diluted basis, assuming the private placement is fully subscribed, full issuance of the finder's fee shares and full exercise of the Warrants and broker warrants). The Unit Price represents a 22% discount to the Company's five-day volume-weighted trading price of its common shares on the TSX as at the time of submitting the Company's application to TSX (the "**Market Price**"). Market Price and the Exercise Price and the Broker Warrant Exercise Price represent a 2.47% discount to the Market Price.

The total number of common shares expected to be issued to insider (Mr. Lew) under the private placement is 18,181,818 (consisting of 9,090,909 common shares and 9,090,909 common shares issuable upon full exercise of Warrants), representing 23.63% of the total outstanding common shares as at the date of this press release on a non-diluted basis, without taking into effect the private placement itself, or 12.70% of the Company's total issued and outstanding common shares following completion of the private placement (being 143,200,825 shares anticipated to be

outstanding on a partially diluted basis, assuming the private placement is fully subscribed, full issuance of the finder's fee shares and full exercise of the Warrants and the broker warrants).

This press release does not constitute an offer to sell or a solicitation of an offer to buy any securities in the United States. The securities have not been and will not be registered under the United States *Securities Act of 1933*, as amended (the "U.S. Securities Act"), or any state securities laws, and may not be offered or sold within the United states or to U.S. persons unless registered under the U.S. Securities Act and applicable state securities laws, or an exemption from such registration is available.

ABOUT EAST SIDE GAMES GROUP

ESGG is a leader in free-to-play mobile gaming, thrilling players with unforgettable experiences that spark lifelong fandom. Fueled by an entrepreneurial spirit, we are driven by creativity, flawless execution, and a laser-focused strategy. We develop and publish both original and licensed IP titles, license our cutting-edge GameKit(s) platforms, and strategically acquire studios or games to expand our family.

Headquartered in Vancouver with around 100 talent-dense team members, we operate over a dozen titles under East Side Games ("**ESG**") and LDRLY (Technologies) Inc. ("**LDRLY**"). Together, we're crafting, launching, and publishing mobile games across our own studios and an extended Game Kit partner network-reaching players on iOS and Android worldwide.

We power our success through in-app purchases ("**IAP**") — offering exclusive, game-enhancing virtual items — and in-game advertising. To keep growing, we focus on captivating audiences, keeping them engaged, and unlocking exciting new ways to monetize. We'll drive this momentum by launching bold new titles, enriching our current lineup, innovating discovery, expanding into fresh markets, and exploring new distribution platforms.

Additional information about the Company continues to be available under its legal name, East Side Games Group Inc., at www.sedarplus.ca.

Forward-looking Information

Certain statements in this news release constitute forward-looking information or forward-looking statements within the meaning of applicable securities laws. Forward-looking statements are often, but not always, identified by the use of words such as "expects," "anticipates," "plans," "intends," "believes," "estimates," "projects," "may," "will," "would," "could," "should," and similar expressions. Forward-looking statements in this news release include, without limitation, statements regarding the proposed private placement.

Forward-looking statements are based on management's current expectations, estimates, projections and assumptions. Such forward-looking statements are subject to significant risks, uncertainties and other factors that could cause actual results or events to differ materially from those expressed or implied by such statements, including, without limitation, risks relating to the Company's ability to complete the proposed private placement as described, and relating to general economic, market and industry conditions. Readers are cautioned not to place undue reliance on forward-looking statements. The forward-looking statements contained in this news release are made as of the date hereof, and the Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

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