

November 15, 2021



Galaxy Gaming Announces Completion of Settlement with Triangulum

LAS VEGAS, Nov. 15, 2021 (GLOBE NEWSWIRE) -- Galaxy Gaming, Inc. (OTCQB: GLXZ), a developer and distributor of casino table games and enhanced systems for land-based casinos and iGaming (the "Company"), announced that it entered into a Term Loan Credit Agreement with Fortress Credit Corp., the proceeds of which were used, among other things, to pay the settlement amount in full to Triangulum Partners, LLC and Robert Saucier (collectively "Triangulum"). As a result of such payment (and the fulfillment of other conditions), the Settlement Agreement with Triangulum and the other parties thereto (the "Settlement Agreement") is in full force and effect.

Fortress Credit Agreement

On November 15, 2021, the Company entered into a Term Loan Credit Agreement (the "Fortress Credit Agreement") with Fortress Credit Corp. as administrative agent, collateral agent and lender (and other related agreements). Pursuant to the Fortress Credit Agreement, the Company borrowed \$60.0 million of senior secured term loans, the gross loan proceeds being used as follows: approximately \$39.5 million was paid to Triangulum as full payment of the settlement amount pursuant to the Settlement Agreement, approximately \$11.1 million was used to repay in full the Company's Main Street and Nevada State Bank loans, and approximately \$4.1 million was used to pay fees and expenses. The remaining approximately \$5.3 million was added to the Company's cash on hand.

The loans under the Fortress Credit Agreement bear interest at a rate equal to, at the Company's option, either (a) LIBOR (or a successor rate, determined in accordance with the Fortress Credit Agreement) plus 7.75%, subject to a reduction to 7.50% upon the achievement of a net leverage target or (b) a base rate determined by reference to the greatest of (i) the federal funds rate plus 0.50%, (ii) the prime rate as determined by reference to The Wall Street Journal's "Prime Rate" and (iii) the one-month adjusted LIBOR rate plus 1.00%, plus 6.75%, subject to a reduction to 6.50% upon the achievement of a net leverage target. The loan has a final maturity of November 15, 2026. The obligations under the Fortress Credit Agreement are guaranteed by the Company's subsidiaries and are secured by substantially all of the assets of the Company and its subsidiaries. The Fortress Credit Agreement requires, among other things, amortization payments of \$150,000 per quarter and includes an annual sweep of 50% of excess cash flow.

In connection with entering into the Fortress Credit Agreement, the Company also issued warrants to purchase a total of up to 778,320 shares of the Company's common stock to certain affiliates of Fortress at a price per share of \$0.01. The warrants are exercisable at any time, subject to certain restrictions.

The foregoing is qualified in its entirety by reference to the Fortress Credit Agreement and the warrants, copies of which will be filed as exhibits to the 8-K filed in connection with this

press release.

Macquarie Capital acted as financial advisor to Galaxy in connection with the financing.

Executive Comments

“The Fortress transaction and the resulting satisfaction of the Settlement Agreement are a major achievement for Galaxy,” stated Todd Cravens, Galaxy’s President and CEO. “The expense and uncertainty of the Triangulum litigation are behind us, allowing us to focus all of our efforts on customers, products and business development. We appreciate the confidence in us that Fortress has shown, and we look forward to a mutually rewarding relationship. Finally, we are very grateful for the support that Nevada State Bank gave us during the three-plus years of our lending relationship with them, and we look forward to continuing our relationship on the treasury side.”

“Galaxy has demonstrated resilience and discipline through the challenges of COVID, and we believe the company is well-positioned to capitalize on opportunities for growth and value creation in the gaming space,” said Josh Pack, Fortress Managing Partner and co-CIO of its Credit business. “We are very pleased to provide Galaxy with a capital solution that will resolve litigation and related uncertainty, positioning the company for meaningful upside as the recovery from COVID closures continues.”

Forward-Looking Statements

Certain statements in this release may constitute forward-looking statements, which involve a number of risks and uncertainties. Galaxy cautions readers that any forward-looking information is not a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking information due to a number of factors, including those listed from time to time in reports that Galaxy files with the Securities and Exchange Commission.

About Galaxy Gaming

Headquartered in Las Vegas, Nevada, Galaxy Gaming (galaxygaming.com) develops and distributes innovative proprietary table games, state-of-the-art electronic wagering platforms and enhanced bonusing systems to land-based, riverboat, and cruise ship and casinos worldwide. In addition, through its wholly owned subsidiary, Progressive Games Partners LLC, Galaxy licenses proprietary table games content to the online gaming industry. Connect with Galaxy on [Facebook](#), [YouTube](#) and [Twitter](#).

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