



**ZignSec**

# **Interim report Q3**

## **1 July to 30 September 2021**



**ZignSec**

ZignSec AB (publ) Quarterly Report 3 • 2021 | Org. No. 559016-5261

[www.zignsec.com](http://www.zignsec.com)

# Report highlights



## Financial overview

- Net revenue amounted to SEK 19.5 (4.1) million, an increase of 374% compared with the corresponding quarter the year before.
- The operating profit/loss before depreciation and amortization EBITDA amounted to SEK -7.4 (-2.5) million.
- Cash and cash equivalents amounted to SEK 34.9 (58.3) million.

## Significant events during the third quarter

- ZignSec completed the acquisition of Web Shield, a leading RegTech company with cutting-edge expertise in real-time onboarding, compliance and monitoring.
- ZignSec signed an agreement with Trustly Group AB which means that Trustly will use ZignSec's services for improved KYC (Know Your Customer) processes.

## Significant events after the end of the third quarter

- ZignSec signed agreements with the auditing firms Deloitte and Grant Thornton for the use of ZignSec's solutions for KYC and KYB.
- The company signed an agreement with Wise (formerly Transferwise) to optimize their end customers' user registration and verification flows.

## Summary A word from the CEO

During the third quarter growth remained strong. We have further strengthened our brand in the areas of onboarding and customer due diligence, which has resulted in agreements with several well-known corporate customers.

The acquisition of Web Shield, which could be completed during the period, means a completely new range of high-quality due diligence services, a strong customer base and clear synergy effects such as cross-selling and knowledge transfer within the group in terms of technology and development.



# Interim report Q3

## 1 July to 30 September 2021

## About the Group

ZignSec is a technology group in the fast-growing RegTech industry. The company provides SaaS platform with digital real-time solutions for customer due diligence and ID verification with global reach.

The solutions are used by companies that in turn can optimize their processes for "onboarding" both corporate customers and consumers and at the same time ensure compliance with ever-changing local and global regulatory requirements for Know Your Customer (KYC) and Anti Money Laundering (AML).

## Financial summary

| (kSEK)                       | Jul 1 - Sep 30<br>2021 | Jul 1 - Sep 30<br>2020 | Jan 1 - Sep 30<br>2021 | Jan 1 - Sep 30<br>2020 | Jan 1 - Dec 31<br>2020 |
|------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| Total revenue                | 19,554                 | 4,194                  | 30,813                 | 10,295                 | 14,533                 |
| Net revenue                  | 19,458                 | 4,107                  | 30,591                 | 9,826                  | 13,989                 |
| Net revenue growth           | 374%                   | 178%                   | 211%                   | 113%                   | 113%                   |
| EBITDA                       | - 7,428                | - 2,528                | - 21,080               | - 7,876                | - 12,519               |
| Operating profit/loss (EBIT) | - 27,600               | - 2,717                | - 49,640               | - 8,303                | - 14,177               |
| Net cash                     | 33,187                 | 58,298                 | 33,187                 | 58,298                 | 48,343                 |
| Equity/Assets ratio          | 59%                    | 91%                    | 59%                    | 91%                    | 91%                    |
| Average number of employees  | 81                     | 10                     | 53                     | 10                     | 13                     |
| Number of shares             | 33,831,244             | 22,009,967             | 33,831,244             | 22,009,967             | 22,306,880             |
| Earnings per share (SEK)     | -0.713                 | -0.132                 | -1.623                 | -0.415                 | -0.659                 |

# A Word from the CEO

During the third quarter of the year, we see continued high demand for ZignSec's solutions. Great focus has been put on strengthening our brand as a leading global supplier of customer due diligence and onboarding solutions for regulated businesses, which has resulted in agreements with several well-known enterprise clients. Sales growth continues to be good despite long sales cycles. The ZignSec Group's net sales increased by 374% for the third quarter compared to the same period last year.

The absolute highlight of the quarter was the completion of our latest acquisition of Web Shield and the work of integrating them into the ZignSec group has been very successful. The addition of Web Shield not only means a completely new range of high-quality due diligence services and a strong customer base, but also clear synergy effects such as cross-selling and knowledge transfer within the group in terms of technology and development. The ZignSec family has grown into a team of over 80 talented colleagues globally.

An additional milestone was that we brought the new core of our technical platform, based on Wyzer's Workflow Engine, into production. The positive impact of this has been very clear to our operational teams. This update was the last step to unify our internal service structure.

The system architecture now allows all internal and externally connected services to be combined and consumed in tailor-made solutions. This is important for the rapid deployment of new suppliers, creation of workflows and the integration of any future company acquisitions without time-consuming development efforts.

With the updated technical platform on hand, we have also begun to develop a new management portal that will not only function as a back-office system for connected services but will also be the central interface and communication channel for our customers. The portal will transform all our services and workflows into easy-to-understand and visible representative products on a marketplace platform, where the services will be sold as in an online shop.



# A Word from the CEO

The coming months will be very exciting with a full project pipeline. We have proven that we continue to sign agreements globally with regulated corporate customers and together with them we will scale up the transaction volumes, at the same time we have continuously upgraded our routines and service levels.

We have taken great strides to simplify a range of complex compliance products into very easy-to-use workflows. Today, our system can combine any connected digital service into a new workflow without writing a single line of code.



Timm Schneider,  
CEO, ZignSec AB (publ)



# Group development

## The quarter July to September 2021

### Revenue and operating profit

The Group's net sales for Q3, 2021 amounted to SEK 19,458 (4,107) thousand, which corresponds to an increase of 374% compared to the same period for the previous year.

EBITDA amounted to SEK -7,428 (-2,528) thousand. The change is mainly due to increased costs for staff and consulting services related to the development and expansion of the company's service offerings, as well as an increased investment in the sales and marketing organizations.

### Development

During the third quarter of 2021, capitalized development expenditures after depreciation decreased by a total of SEK 160 thousand, of which SEK 0 (0) thousand was capitalized as work for own account. The investments are mainly related to the development and integration of new ID verification solutions as well as work with improved user-experience in portals and product flows.

Depreciation and amortization during the third quarter amounted to SEK -20,172 (-189) thousand. The change is mainly due to consolidated amortization of acquired technology, customer relations and goodwill.

### Financial net

Net financial items for the third quarter amounted to SEK 118 (-17) thousand.

### Tax

Estimated tax on profit for the third quarter amounted to SEK -689 (0) thousand.

## The period January to September 2021

### Revenue and operating profit

The Group's net sales for the period 2021 amounted to SEK 30,591 (9,826) thousand, which corresponds to an increase of 211% compared to the same period for the previous year.

EBITDA amounted to SEK -21,080 (-7,876) thousand. The change is mainly due to increased costs for staff and consulting services related to the development and expansion of the company's service offerings, as well as an increased investment in the sales and marketing organizations.

### Development

During the period 2021, the capitalized development expenditures after depreciation decreased by a total of SEK 41 thousand, of which SEK 0 (255) thousand was activated own development work. The investments are mainly related to the development and integration of new ID verification solutions as well as work with improved user-experience in portals and product flows.

Depreciation and amortization during the period amounted to SEK -28,561 (-426) thousand. The change is mainly due to consolidated amortization of acquired technology, customer relations and goodwill.

### Financial net

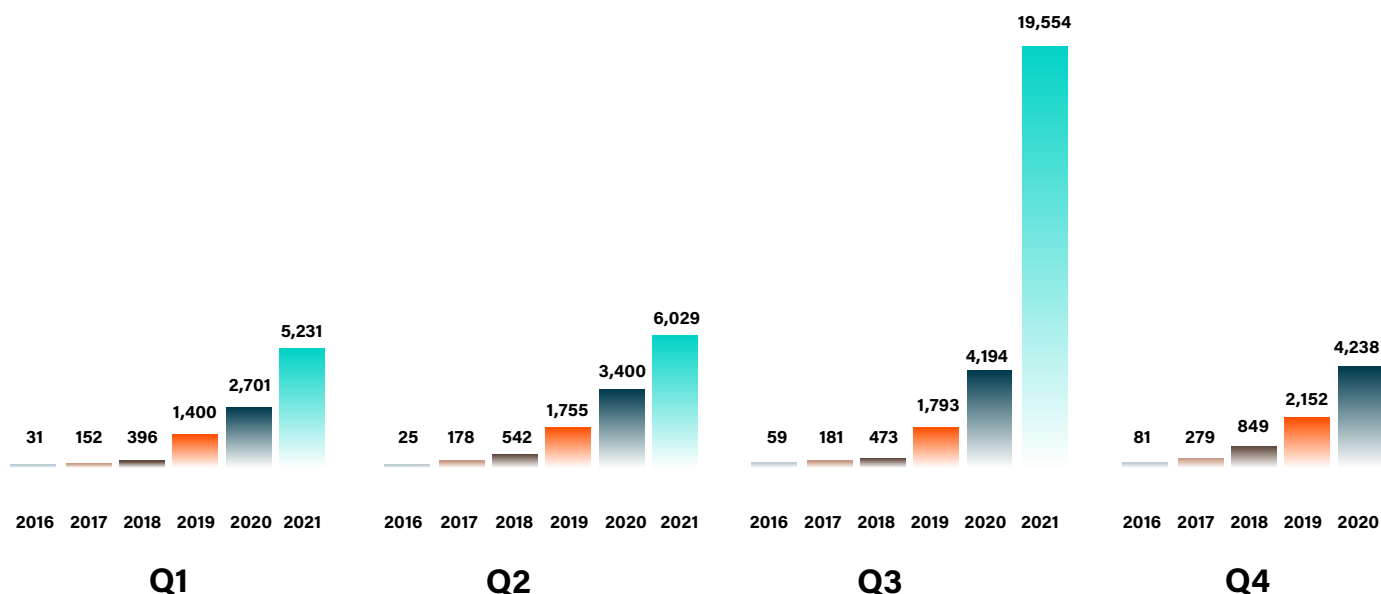
Net financial items for the period amounted to SEK 119 (16) thousand.

### Tax

Estimated tax on profit for the period amounted to SEK -539 (0) thousand.

## Quarterly turnover development 2016-2021

(kSEK)



# Financial position

## Financial position and liquidity

As of September 30 2021, the Group had SEK 34,853 (58,298) thousand in cash and cash equivalents. The balance sheet total amounted to SEK 451,395 (68,185) thousand.

The company will continue its initiated drive towards international expansion with focus on development and sales.

### Operating cash flow

Cash flow from operating activities during the third quarter 2021 amounted to SEK -6,660 (-2,669) thousand.

### Financing

Existing cash and cash equivalents are deemed to be sufficient to meet the current capital needs.

### Investments and acquisitions

ZignSec has communicated that an acquisition strategy is being applied and will keep the market updated in the future.



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## Significant events in the third quarter

ZignSec completed the acquisition of Web Shield, a leading RegTech company with 40 employees and cutting-edge expertise in corporate customer onboarding, compliance and monitoring.

The company signed an agreement with Trustly Group AB for the use of ZignSec's services for improved customer knowledge. Trustly Group AB is a Fintech company that provides real-time payment solutions through its technology for direct payment via bank.

A new system architecture for the platform's technology core based on Wyzer's workflow engine was put into production during the third quarter. The system architecture now allows all internal and externally connected services to be combined and directly consumed by our customers in bespoke solutions.

## Significant events after the end of the third quarter

ZignSec signed an agreement with the London Stock Exchange-listed company Wise (formerly Transferwise), one of the fastest growing money transfer services. The agreement applies to the use of local eID methods in several countries to optimize the current user registration and customer verification flow.

ZignSec, through its subsidiary Web Shield Services GmbH, has signed an agreement with Deloitte Germany for the use of the product Versatile Customer Underwriting (VCU). VCU is a solution for efficient KYB processes that combines automated retrieval of company documents, identification of ultimate beneficial ownership, as well as PEP and sanction controls.

ZignSec has, through its subsidiary Wyzer Limited, signed an agreement with Grant Thornton Malta. The agreement means that Grant Thornton will use ZignSec's services to digitize and automate business processes related to the customer's onboarding and risk assessment of individuals and companies.



## Personnel

As per the date of report publication the group has 84 employees, which can be compared to 10 employees at the same time in 2020.

ZignSec continues to expand the organization, primarily in development and sales, to realize its growth target.

## Briefly about the market

The global market value of digital ID verification solutions is expected to increase from \$ 13,7 billion in 2019 to \$ 30,5 billion in 2024, an annual growth rate of over 17%. Driving factors behind the market growth are the continuously increasing number of identity and authorization frauds that take place worldwide, as well as an increased focus on improving the user experience for the consumer.

The geographically highest growth until the year 2024 is expected to take place in the APAC (Asia-Pacific) region. The outlook for the future remains positive as more companies complete their digital transformation, which includes all companies that currently manage their verification processes manually or semi-manually.

## Business model

ZignSec offers a platform with digital solutions for onboarding, customer due diligence and real-time ID verification to customers in regulated industries. The company's business model is based on aggregating verification methods in different countries under one umbrella that can be used to verify users digitally in over 200 countries in the world through a single API integration or via ZignSec's customer portal.

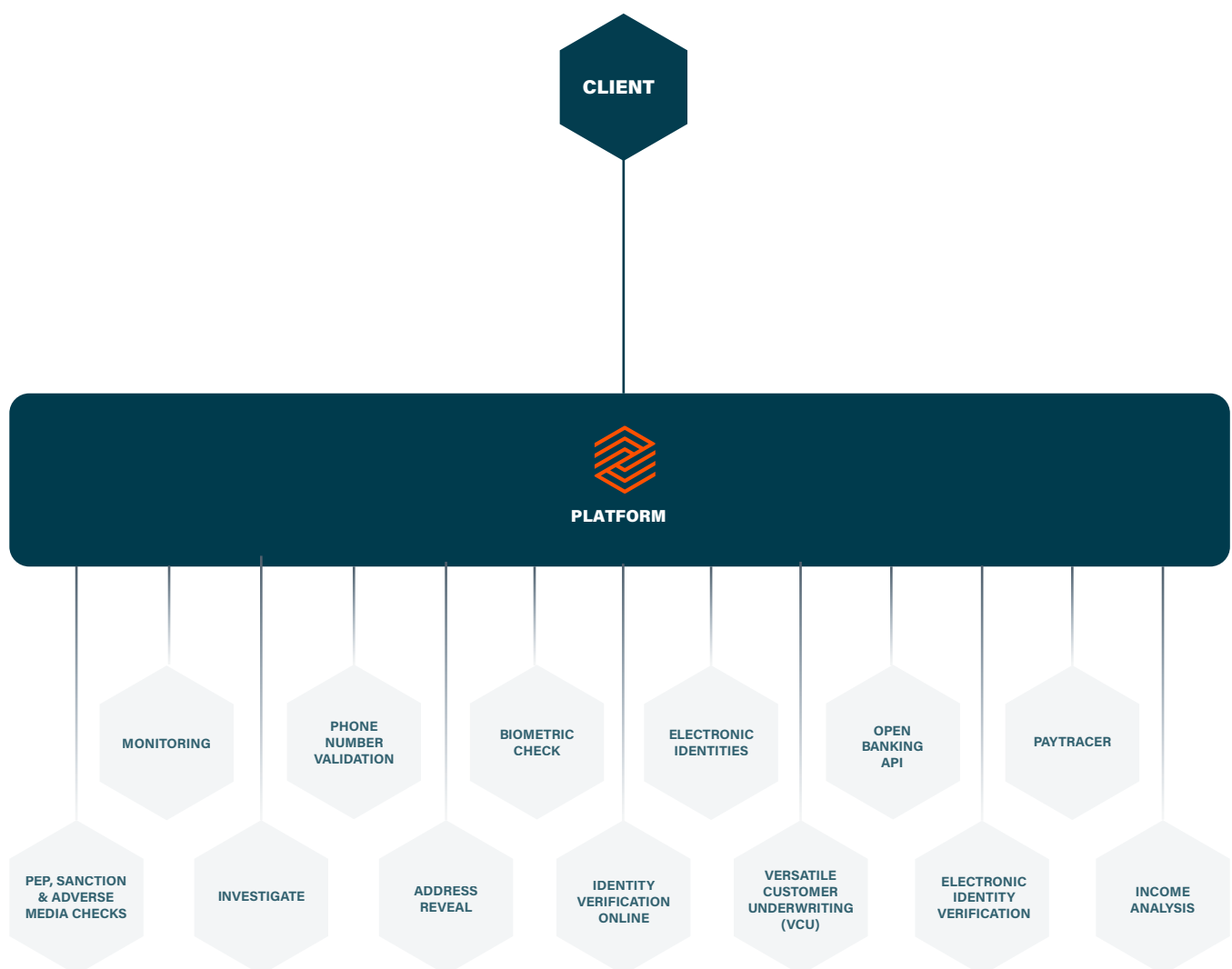
ZignSec's business model is based on low integration costs and recurring monthly and transaction fees. The company's costs mainly consist of development and integration costs as well as ongoing verification and transaction fees. After the integration, the number of transactions for each customer can increase without driving increased personnel costs.

ZignSec's customers can also add additional solutions from the company's offering or connect more markets to verify their users. This creates an incentive for the customer to use ZignSec as a complete supplier for all markets, while at the same time driving profitability for the company.

# Our Platform

## An easy to connect verification platform for your business

ZignSec connects into different suppliers globally and makes them available via one easy to consume interface. We digitize and automate onboarding, due diligence and monitoring processes so our customers can focus on their core business. Through our channels - API, No Code Compliance Manager and soon our new SaaS Management portal - we make it easy to perform complex compliance workflows with the least effort.



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# Platform features



## Electronic Identity Verification

Match personal information such as name, address, date of birth, or national ID with various data sources to quickly verify an individual.



## Online Identity Verification

Allow your customers to identify themselves by letting them scan their passports, driver's licenses, ID-cards and other documents. In real-time.



## Electronic Identities

Our platform offers a rapidly growing number of digital identity solutions across - the world. All available via one connection.



## Phone Number Validation

Use our phone number validation service to authenticate users around the globe via SMS. With the ability to reach over 7 billion people.



## Monitoring

A powerful combination of tools that automatically updates, tracks and re-checks validated information.



## PayTracer

PayTracer screens payments and analyses transactions to provide instant risk scoring of the transaction and the parties involved in the transaction



## Versatile Customer Underwriting (VCU)

VCU is a complete portal solution that simplifies customer onboarding in compliance with AML legislation.



## Income Analysis

Our Income analysis feature gives you access to a detailed income reports without jeopardizing the privacy of your customers.



## Open Banking API

Allows you to include existing bank accounts to verify identities. It allows verifying addresses and additional user credentials (varies on country and bank).



## PEP, Sanction and Adverse Media Checks

Real-time access to multiple global PEP and Sanction lists, increasing both geographic coverage and quality of service.



## Address Reveal

An enhanced AML to instantly verify if customers are operating from virtual addresses.



## Crypto Compliance Library

A solution that enables acquirers to maintain compliance when handling crypto-currency merchants.



## Investigate

Investigate is our merchant on-boarding solution offering a suite of research tools to deliver real-time underwriting.



## Biometric Check

Biometric Check compares a user's ID document to the facial biometry using various capturing techniques that are referred to active or passive liveness.



# Profit and loss

| (kSEK)                                    | Jul 1 - Sep 30<br>2021 | Jul 1 - Sep 30<br>2020 | Jan 1 - Sep 30<br>2021 | Jan 1 - Sep 30<br>2020 | Jan 1 - Dec 31<br>2020 |
|-------------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| Net revenue                               | 19,457.7               | 4,107.4                | 30,590.6               | 9,825.7                | 13,988.8               |
| Activated own development work            | 0.0                    | 0.0                    | 0.0                    | 254.6                  | 254.6                  |
| Other operating income                    | 96.1                   | 86.8                   | 222.8                  | 214.6                  | 289.6                  |
|                                           | <b>19,553.8</b>        | <b>4,194.2</b>         | <b>30,813.4</b>        | <b>10,294.9</b>        | <b>14,533.0</b>        |
| Cost of sales                             | - 5,347.8              | - 1,220.6              | - 8,835.0              | - 2,864.1              | - 4,240.0              |
| Other external costs                      | - 9,295.3              | - 3,460.5              | - 20,894.4             | - 8,030.9              | - 12,443.2             |
| Personnel costs                           | - 12,255.2             | - 1,966.8              | - 21,975.8             | - 7,076.3              | - 10,087.2             |
| Other operating costs                     | - 83.7                 | - 73.9                 | - 188.0                | - 200.0                | - 282.0                |
| <b>Operating profit/loss (EBITDA)</b>     | <b>- 7,428.2</b>       | <b>- 2,527.6</b>       | <b>- 21,079.8</b>      | <b>- 7,876.4</b>       | <b>- 12,519.4</b>      |
| Depreciation                              | - 20,171.6             | - 189.0                | - 28,560.7             | - 426.4                | - 1,657.2              |
| <b>Operating profit/loss (EBIT)</b>       | <b>- 27,599.7</b>      | <b>- 2,716.6</b>       | <b>- 49,640.5</b>      | <b>- 8,302.8</b>       | <b>- 14,176.6</b>      |
| <b>Result from financial items</b>        |                        |                        |                        |                        |                        |
| Interest income, costs and similar items  | 117.9                  | 16.5                   | 119.0                  | 16.0                   | - 58.4                 |
| <b>Total result from financial items</b>  | <b>117.9</b>           | <b>16.5</b>            | <b>119.0</b>           | <b>16.0</b>            | <b>- 58.4</b>          |
| <b>Profit/loss before tax (EBT)</b>       | <b>- 27,481.8</b>      | <b>- 2,700.1</b>       | <b>- 49,521.5</b>      | <b>- 8,286.8</b>       | <b>- 14,235.1</b>      |
| Tax                                       | 3,318.6                | 0.0                    | 4,368.1                | 0.0                    | 44.6                   |
| <b>Profit/loss for the period</b>         | <b>- 24,163.3</b>      | <b>- 2,700.1</b>       | <b>- 45,153.4</b>      | <b>- 8,286.8</b>       | <b>- 14,190.4</b>      |
| Attributable to owners of the parent      | - 23,406.3             | - 2,700.1              | - 43,018.0             | - 8,286.8              | - 13,545.2             |
| Attributable to non-controlling interests | - 757.0                | 0.0                    | - 2,135.3              | 0.0                    | - 645.2                |

# Balance sheet

(kSEK)

Sep 30 2021

Sep 30 2020

Dec 31 2020

## ASSETS

### Non-current assets

#### Intangible assets

|                                     |                  |                |                 |
|-------------------------------------|------------------|----------------|-----------------|
| Capitalized development expenditure | 2,396.4          | 2,197.5        | 2,437.6         |
| Technology                          | 2,609.9          | 0.0            | 2,350.4         |
| Goodwill                            | 189,964.4        | 0.0            | 13,528.5        |
| Patent, trademarks, licenses        | 193,374.4        | 3.6            | 393.5           |
| <b>Total intangible assets</b>      | <b>388,345.2</b> | <b>2,201.1</b> | <b>18,710.0</b> |

#### Tangible assets

|                               |                |              |              |
|-------------------------------|----------------|--------------|--------------|
| Property, plant and equipment | 1,429.1        | 147.0        | 169.4        |
| <b>Total tangible assets</b>  | <b>1,429.1</b> | <b>147.0</b> | <b>169.4</b> |

### Financial assets

|                                |                |            |            |
|--------------------------------|----------------|------------|------------|
| Shares in associated companies | 3,607.9        | 0.0        | 0.0        |
| <b>Total financial assets</b>  | <b>3,607.9</b> | <b>0.0</b> | <b>0.0</b> |

|                                 |                  |                |                 |
|---------------------------------|------------------|----------------|-----------------|
| <b>Total non-current assets</b> | <b>393,382.2</b> | <b>2,348.0</b> | <b>18,879.4</b> |
|---------------------------------|------------------|----------------|-----------------|

### Current assets

|                                     |                 |                |                |
|-------------------------------------|-----------------|----------------|----------------|
| Accounts receivable                 | 8,699.1         | 2,148.5        | 2,697.3        |
| Other receivables                   | 8,259.0         | 259.7          | 911.9          |
| Prepaid expenses and accrued income | 6,201.9         | 5,131.3        | 3,664.6        |
| <b>Total current assets</b>         | <b>23,160.0</b> | <b>7,539.6</b> | <b>7,273.8</b> |

|                                  |                 |                 |                 |
|----------------------------------|-----------------|-----------------|-----------------|
| <b>Cash and cash equivalents</b> | <b>34,852.7</b> | <b>58,297.6</b> | <b>48,342.8</b> |
|----------------------------------|-----------------|-----------------|-----------------|

|                             |                 |                 |                 |
|-----------------------------|-----------------|-----------------|-----------------|
| <b>Total current assets</b> | <b>58,012.6</b> | <b>65,837.1</b> | <b>55,616.7</b> |
|-----------------------------|-----------------|-----------------|-----------------|

|                     |                  |                 |                 |
|---------------------|------------------|-----------------|-----------------|
| <b>TOTAL ASSETS</b> | <b>451,394.8</b> | <b>68,185.2</b> | <b>74,496.1</b> |
|---------------------|------------------|-----------------|-----------------|



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# Balance sheet

(kSEK)

Sep 30 2021

Sep 30 2020

Dec 31 2020

## EQUITY, PROVISIONS AND LIABILITIES

### EQUITY

|                                                    |                  |                 |                 |
|----------------------------------------------------|------------------|-----------------|-----------------|
| Share capital                                      | 1,340.7          | 872.3           | 884.0           |
| Share premium reserve                              | 317,706.9        | 37,790.0        | 77,085.0        |
| Reserves (translation difference)                  | 310.5            | 0.0             | - 828.3         |
| Retained earnings incl. profit/loss of the period  | - 58,716.0       | 23,638.1        | - 15,697.9      |
| <b>Equity attributable to owners of the parent</b> | <b>260,642.2</b> | <b>62,300.3</b> | <b>61,442.7</b> |
| Equity attributable to non-controlling interests   | 4,348.5          | 0.0             | 6,263.7         |
| <b>TOTAL EQUITY</b>                                | <b>264,990.7</b> | <b>62,300.3</b> | <b>67,706.4</b> |

### PROVISIONS

|                             |                 |            |              |
|-----------------------------|-----------------|------------|--------------|
| Provisions for deferred tax | 43,821.4        | 0.0        | 479.5        |
| Other provisions            | 29,434.0        | 0.0        | 0.0          |
| <b>TOTAL PROVISIONS</b>     | <b>73,255.4</b> | <b>0.0</b> | <b>479.5</b> |

### LIABILITIES

#### Non-current liabilities

|                                      |                |            |            |
|--------------------------------------|----------------|------------|------------|
| Liabilities to credit institutions   | 1,644.3        | 0.0        | 0.0        |
| Other non-current liabilities        | 21.5           | 0.0        | 0.0        |
| <b>Total non-current liabilities</b> | <b>1,665.8</b> | <b>0.0</b> | <b>0.0</b> |



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# Balance sheet

| (kSEK)                                          | Sep 30 2021      | Sep 30 2020     | Dec 31 2020     |
|-------------------------------------------------|------------------|-----------------|-----------------|
| <b>Current liabilities</b>                      |                  |                 |                 |
| Prepayments from customers                      | 338.5            | 0.0             | 98.7            |
| Accounts payable                                | 5,102.8          | 1,784.1         | 2,872.1         |
| Liabilities to associated companies             | 3,677.3          | 0.0             | 0.0             |
| Tax liabilities                                 | 8.9              | 0.0             | 13.8            |
| Other liabilities                               | 85,202.5         | 339.5           | 433.7           |
| Accrued expenses and prepaid income             | 17,153.0         | 3,761.2         | 2,891.9         |
| <b>Total current liabilities</b>                | <b>111,483.0</b> | <b>5,884.9</b>  | <b>6,310.2</b>  |
| <b>TOTAL LIABILITIES</b>                        | <b>113,148.8</b> | <b>5,884.9</b>  | <b>6,310.2</b>  |
| <b>TOTAL EQUITY, PROVISIONS AND LIABILITIES</b> | <b>451,394.8</b> | <b>68,185.2</b> | <b>74,496.1</b> |



# Changes in equity

| (kSEK)                            |                   | Share capital  | Share premium reserve | Reserves       | Retained earnings incl. profit/loss from the period | Total            | Non-controlling interests | Total equity     |
|-----------------------------------|-------------------|----------------|-----------------------|----------------|-----------------------------------------------------|------------------|---------------------------|------------------|
| <b>Changes in equity</b>          |                   |                |                       |                |                                                     |                  |                           |                  |
| <b>Balance at</b>                 | <b>2021-01-01</b> | <b>884.0</b>   | <b>77,085.0</b>       | <b>- 828.3</b> | <b>- 15,697.9</b>                                   | <b>61,442.7</b>  | <b>6,263.7</b>            | <b>67,706.4</b>  |
| Profit/Loss of the period         |                   |                |                       |                | - 43,018.0                                          | - 43,018.0       | - 2,135.3                 | - 45,153.4       |
| New share issue                   |                   | 456.7          | 240,621.9             |                |                                                     | 241,078.6        |                           | 241,078.6        |
| - issue expenses                  |                   |                | 7,357.4               |                |                                                     |                  |                           |                  |
| Reserves (translation difference) |                   |                |                       | 1,138.8        |                                                     | 1,138.8          | 220.2                     | 1,359.0          |
| <b>Balance at</b>                 | <b>2021-09-30</b> | <b>1,340.7</b> | <b>317,706.9</b>      | <b>310.5</b>   | <b>- 58,716.0</b>                                   | <b>260,642.2</b> | <b>4,348.5</b>            | <b>264,990.7</b> |





# Statement of cash flow

| (kSEK)                                                                       | Jul 1 - Sep 30<br>2021 | Jul 1 - Sep 30<br>2020 | Jan 1 - Sep 30<br>2021 | Jan 1 - Sep 30<br>2020 | Jan 1 - Dec 31<br>2020 |
|------------------------------------------------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| <b>Operating activities</b>                                                  |                        |                        |                        |                        |                        |
| <b>Operating profit/loss</b>                                                 | - 27,599.7             | - 2,716.6              | - 49,640.5             | - 8,302.8              | - 14,176.6             |
| <i>Adjustments for:</i>                                                      |                        |                        |                        |                        |                        |
| Depreciation                                                                 | 20,171.6               | 189.0                  | 28,560.7               | 426.4                  | 1,657.2                |
| Interest received                                                            | - 17.3                 | 0.1                    | - 17.3                 | 0.1                    | 0.2                    |
| Interest paid                                                                | - 1.1                  | - 0.4                  | - 3.7                  | - 0.9                  | - 1.6                  |
| <b>Cash flow from operating activities before changes in working capital</b> | <b>- 7,446.6</b>       | <b>- 2,527.9</b>       | <b>- 21,100.8</b>      | <b>- 7,877.2</b>       | <b>- 12,520.8</b>      |
| <i>Changes in working capital</i>                                            |                        |                        |                        |                        |                        |
| Change in receivables                                                        | - 9,008.9              | - 1,499.6              | - 7,904.2              | - 2,384.3              | - 1,664.7              |
| Change in short-term debts                                                   | 9,795.4                | 1,358.2                | 8,724.6                | 2,758.6                | 3,188.3                |
| <b>Cash flow from operating activities</b>                                   | <b>- 6,660.1</b>       | <b>- 2,669.2</b>       | <b>- 20,280.4</b>      | <b>- 7,502.9</b>       | <b>- 10,997.2</b>      |
| <b>Investing activities</b>                                                  |                        |                        |                        |                        |                        |
| Investment in subsidiaries                                                   | - 110,180.3            | 0.0                    | - 125,882.6            | 0.0                    | - 6,054.1              |
| Investment in intangible assets                                              | - 85.7                 | - 477.3                | - 749.7                | - 1,601.3              | - 2,059.9              |
| Investment in tangible assets                                                | - 362.1                | - 105.9                | - 420.1                | - 105.9                | - 122.4                |
| <b>Cash flow from investing activities</b>                                   | <b>- 110,628.1</b>     | <b>- 583.2</b>         | <b>- 127,052.4</b>     | <b>- 1,707.2</b>       | <b>- 8,236.5</b>       |
| <b>Financing activities</b>                                                  |                        |                        |                        |                        |                        |
| New share issue                                                              | 862.8                  | 37,880.6               | 133,842.6              | 37,880.6               | 37,949.4               |
| <b>Cash flow from financing activities</b>                                   | <b>862.8</b>           | <b>37,880.6</b>        | <b>133,842.6</b>       | <b>37,880.6</b>        | <b>37,949.4</b>        |
| <b>Total cash flow for the period</b>                                        | <b>- 116,425.3</b>     | <b>34,628.2</b>        | <b>- 13,490.2</b>      | <b>28,670.5</b>        | <b>18,715.7</b>        |
| <b>Cash and cash equivalents at beginning of period</b>                      | <b>151,278.0</b>       | <b>23,669.4</b>        | <b>48,342.8</b>        | <b>29,627.1</b>        | <b>29,627.1</b>        |
| <b>Cash and cash equivalents at end of period</b>                            | <b>34,852.7</b>        | <b>58,297.6</b>        | <b>34,852.7</b>        | <b>58,297.6</b>        | <b>48,342.8</b>        |



# Other information

## Transactions with related parties

No transactions with related parties that have not been on a market basis have taken place.

## Audit

The company's auditor is Ernst & Young AB. This Interim report has not been subject to review by the company's auditor.

## Accounting principles

This Interim report for the group has been prepared in accordance with BFNAR 2012:1 Årsredovisning och koncernredovisning (K3). During 2021, no new or revised accounting principles with a material impact on the group have emerged. The accounting principles have been consistent since 2019.

When recognizing development costs the capitalization model is used.

## Financial Calendar

Year-end report 2021: 25 February 2022

## Important information

This information is information that ZignSec AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and Securities Markets Act. The information was submitted for publication, by the contact person below, on November 25, 2021.

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