

# ZignSec AB (publ) carries out a rights issue of shares of approximately SEK 33.5 million secured to approximately 75%

The Board of Directors of ZignSec AB (publ) ("ZignSec" or the "Company") has today, on 29 April 2024, with the support of the authorization from the Annual General Meeting held on 30 May 2023, resolved to carry out a rights issue of a maximum of 134 069 970 shares of approximately SEK 33.5 million before issue costs (the "Rights Issue"). The subscription price amounts to SEK 0.25 per share. In connection with the Rights Issue, the Company has received subscription commitments from members of the board, management and larger shareholders of approximately SEK 10.6 million, corresponding to approximately 31.8 percent of the Rights Issue. Furthermore, the Company has received underwriting commitments of approximately SEK 14.5 million, corresponding to approximately 43.2 percent of the Rights Issue. The Rights Issue is therefore secured to approximately SEK 25.1 million, corresponding in total to approximately 75 percent of the Rights Issue. The underwriting commitments are not secured by bank guarantees, escrow funds, pledges or similar arrangements. The net proceeds from the Rights Issue are primarily intended to be used for technology development, sales and marketing, as well as working capital for new customer projects.

The Company also expects that the strengthened financial position, combined with increased market demand, will have a positive impact on discussions and negotiations related to the previously communicated strategic review.

## Background and motives

ZignSec is a RegTech group that provides a comprehensive KYB/KYC and compliance platform. The platform offers solutions used by companies to optimize their onboarding processes for both corporate customers and consumers while ensuring regulatory compliance in the ever-changing environment of regulatory requirements, both locally and globally, including customer due diligence and anti-money laundering measures. ZignSec is currently focusing on developing a focused set of standardized solutions tailored to the specific needs of industries such as financial services, acquiring banks, gaming companies, and other highly regulated areas related to digital B2C and B2B services.

The motive for the Rights Issue is to strengthen ZignSec's market presence and position the Company for continued growth, particularly in Europe, Latin America, and the Asia-Pacific region. To support this process, the company intends to significantly upgrade its technical capacity by enhancing core products and technical platform, investing in its global sales team, increasing its digital marketing efforts, and undertaking further investment in technology and development to enhance and renew the company's core products and technical platform. Furthermore, the strengthened financial position is expected to have a positive impact on the current strategic review being conducted by the Company.

### Use of proceeds

Upon full subscription in the Rights Issue, the Company will receive initial net proceeds of approximately SEK 28 million (after issue costs). The net proceeds are intended to be used for the following purposes:

- Technology and development
- Sales and marketing
- Working capital for the development of new customer projects
- Operating expenses and other general costs

### Terms and conditions of the Rights Issue

The Board of Directors of ZignSec has today on 29 April 2024, based on the authorization from the Extraordinary General Meeting held on 30 June 2024, decided to implement the Rights Issue in accordance with the following main conditions:

- The Rights Issue comprises a maximum of 134 069 970 new shares in the Company.
- Any person, who on the record date of 15 May 2024 is registered in the share register kept by Euroclear Sweden AB, has preferential rights to subscribe for shares in the Rights Issue. One (1) existing share held on the record date entitles to one (1) subscription right. Two (2) subscription rights entitle the holder to subscribe for three (3) shares.
- The subscription price in the Rights Issue amounts to SEK 0.25 per share.
- The Rights Issue corresponds to a valuation of ZignSec (pre-money) of approximately SEK 22.3 million.
- The last day of trading in the Company's share including the right to receive subscription rights is 13 May 2024 and the first day of trading excluding the right to receive subscription rights is 14 May 2024.
- The subscription period in the Rights Issue will run from and including 17 May 2024 until and including 31 May 2024.
- Trading in subscription rights will take place on the Nasdaq First North Growth Market from and including 17 May 2024 until and including 28 May 2024.
- Trading in BTA (Paid Subscribed Shares) will take place on the Nasdaq First North Growth Market from and including 17 May 2024 until the Rights Issue is registered with the Swedish Companies Registration Office, which is expected to take place around week 25, 2024.
- ZignSec has received subscription and underwriting commitments of approximately SEK 25.1 million, corresponding to approximately 75 percent of the Rights Issue.
- Upon full subscription of shares in the Rights Issue, the Company will receive approximately SEK 33.5 million, before deduction of issue costs, which are estimated to amount to approximately SEK 5.5 million, of which the underwriting compensation amounts to approximately SEK 2.2 million.
- ZignSec expects to announce the outcome of the Rights Issue around 5 June 2024.

### **Subscription and underwriting commitments**

ZignSec has received subscription commitments of approximately 10.6 million SEK, corresponding to approximately 31.8 percent of the Rights Issue, from board members, management, and existing shareholders. No compensation is provided for these subscription commitments. In addition, the Company has received underwriting commitments from existing and external investors, including Jinderman & Partners ([www.jinderman.se](http://www.jinderman.se)) of approximately 14.5 million SEK, corresponding to approximately 43.2 percent of the Rights Issue. Thus, the Company has received subscription commitments and underwriting commitments totaling approximately 25.1 million SEK, corresponding to approximately 75 percent of the Rights Issue.

For the underwriting commitments, a cash compensation of fifteen (15) percent of the guaranteed amount is provided. The underwriting commitments are not secured by bank guarantees, escrow funds, pledges, or similar, thus there is a risk that the commitments, in whole or in part, may not be fulfilled.

### **Share capital and number of shares**

Upon full subscription in the Rights Issue, the number of shares in the Company will increase by 134 069 970 shares from 89 379 981 to 223 449 951 and the share capital will increase by approximately SEK 5 313 204,689 from approximately SEK 3 542 136,498 to approximately SEK 8 855 341,187, corresponding to a dilution effect of approximately 60 percent.

### **Prospectus**

The full terms and conditions of the Rights Issue and other information about the Company will be set out in the prospectus which will be published before the commencement of the subscription period. The prospectus and subscription form will be made available on the Company's website: [www.zignsec.com](http://www.zignsec.com).

### **Bridge loan**

To ensure financing needs until the Rights Issue is completed, the Company is exploring the alternative on obtaining a short bridge loan from existing shareholders of up to 4 million SEK at market terms. A potential bridge loan will be settled after the completion of the Rights Issue.

### **Advisers**

Corpura Fondkommission AB ([www.corpura.se](http://www.corpura.se)) is acting as financial advisor and Eversheds Sutherland Advokatbyrå is acting as legal advisor to ZignSec in connection with the Rights Issue. Aqurat Fondkommission AB is acting as issuing agent.

### **For more information:**

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### **About ZignSec AB (publ)**

ZignSec is a technology group in the fast-growing RegTech industry. The company provides SaaS solutions for customer due diligence and ID verification with global reach. The solutions are used by companies to optimise their processes for onboarding both corporate customers and consumers while ensuring compliance with local and global regulatory requirements for Know Your Customer (KYC) and Anti-Money Laundering (AML).

Nasdaq First North Ticker Symbol: ZIGN

Certified Adviser: Eminova Fondkommission AB, Tel: +46 8 684 211 00

### **Important information**

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This press release is not a prospectus according to the definition in Regulation (EU) 2017/1129 (the "Prospectus Regulation") and has not been approved by any regulatory authority in any jurisdiction. A prospectus will be prepared by the Company and published on the Company's website after the prospectus has been reviewed and approved by the Swedish Financial Supervisory Authority (Sw. Finansinspektionen).

This press release does not constitute an offer or solicitation to buy or subscribe for securities in the United States. The securities mentioned herein may not be sold in the United States without registration, or without an exemption from registration, under the U.S. Securities Act from 1933 ("Securities Act"), and may not be offered or sold within the United States without being registered, covered by an exemption from, or part of a transaction that is not subject to the registration requirements according to the Securities Act. There is no intention to register any securities mentioned herein in the United States or to issue a public offering of such securities in the United States. The information in this press release may not be released, published, copied, reproduced or distributed, directly or indirectly, wholly or in part, in or to Australia, Hong Kong, Japan, Canada, New Zealand, Singapore, South Africa, the United States or any other jurisdiction where the release, publication or distribution of this information would violate current rules or where such an action is subject to legal restrictions or would require additional registration or other measures beyond those that follow from Swedish law. Actions in contravention of this instruction may constitute a violation of applicable securities legislation.

### **Forward-looking statements**

This press release contains forward-looking statements related to the Company's intentions, estimates or expectations with regard to the Company's future results, financial position, liquidity, development, outlook, estimated growth, strategies and opportunities as well as the markets in which the Company is active. Forward-looking statements are statements that do not refer to

historical facts and can be identified by the use of terms such as "believes," "expects," "anticipates," "intends," "estimates," "will," "may," "implies," "should," "could" and, in each case, their negative, or comparable terminology. The forward-looking statements in this press release are based on various assumptions, which in several cases are based on further assumptions. Although the Company believes that the assumptions reflected in these forward-looking statements are reasonable, there is no guarantee that they will occur or that they are correct. Since these assumptions are based on assumptions or estimates and involve risks and uncertainties, actual results or outcomes, for many different reasons, may differ materially from those what is stated in the forward-looking statements. Due to such risks, uncertainties, eventualities and other significant factors, actual events may differ materially from the expectations that expressly or implicitly are contained in this press release through the forward-looking statements. The Company does not guarantee that the assumptions which serve as a basis for the forward-looking statements in this press release are correct, and each reader of the press release should not rely on the forward-looking statements in this press release. The information, opinions and forward-looking statements that expressly or implicitly are stated herein are provided only as of the date of this press release and may change. Neither the Company nor any other party will review, update, confirm or publicly announce any revision of any forward-looking statement to reflect events that occur or circumstances that arise with respect to the contents of this press release, beyond what is required by law or Nasdaq First North Growth Market Rulebook.

*This information is information that ZignSec 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 2024-04-29 18:15 CEST.*

## Attachments

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