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EPTI resolves on directed share issues for the payment of loans and additional purchase payments and convenes an Extraordinary General Meeting to decide on a share issue to members of the Board of Directors

The Board of Directors of EPTI AB ("EPTI" or the "Company") has today resolved to carry out four directed share issues, three of which are conditional on subsequent approval by an Extraordinary General Meeting. In total, the Board has decided to issue 3,849,399 shares. The details of each new issue are set out below. In addition, the shareholder M2BIT Holding AB ("the Shareholder") proposes that the Extraordinary General Meeting resolves on a directed share issue of a maximum of 238,095 shares to certain members of the Board of Directors of the Company.

Directed offset issue to AllaNova AB by virtue of authorisation

The Company has taken over a loan totalling SEK 4,294,800 from the Company's subsidiary, EPTI Factory AB. EPTI Factory had previously taken out the loan from AllaNova AB. In order to strengthen the financial position of the Company and the Group and to release working capital to the Company in a timely and cost-efficient manner, the Board has, through arm's length negotiations with AllaNova AB, agreed that the loan shall be repaid in full by set-off against newly issued shares in the Company.

The Board of Directors of EPTI has therefore, based on the authorisation from the 2022 Annual General Meeting, decided on a directed new issue to AllaNova AB of a maximum of 1,363,428 shares, entailing an increase in the share capital of a maximum of SEK 340,857.00. The subscription price has been determined after arm's length negotiations with AllaNova AB and amounts to SEK 3.15 per share. The subscription price represents a premium of approximately 50.72 percent compared to the closing price of the Company's share on Nasdaq First North Growth Market on 12 December 2022. In light of this, the Board of Directors considers that the marketability of the subscription price has been ensured. Payment shall be made by set-off upon subscription.

The reason for the deviation from the shareholders' preferential rights is to strengthen the financial position of the Group and the Company and to free up working capital for the Company in a time and cost-efficient manner. The Board of Directors has evaluated the feasibility of a rights issue instead but has found that the cost and time of such a process cannot be justified in view of the capital required to repay the loan. The Board has therefore, after careful consideration, concluded that the Arrangement and the Offset Issue are in the best interests of the Company and its shareholders.

Directed offset issue to the sellers of Adhype AB conditional on subsequent approval by the Extraordinary General Meeting

The Company's wholly owned subsidiary, EPTI Factory AB, entered into an agreement on 19 April 2022 to acquire 100 per cent. of the shares in Adhype AB (the "**Adhype Agreement**"). The purchase price for the acquisition consisted partly of a fixed part to be paid at the time of acquisition and partly in the form of an additional purchase price, to be paid in 2022. The additional purchase price amounts in total to a value of SEK 5.5 million and includes a combination of SEK 4 million in cash and 190,114 newly issued shares in the Company, at a price of SEK 7.89 per share, corresponding to a value of SEK 1.5 million. As a result, the Company has assumed the claim that the sellers of Adhype AB had against EPTI Factory AB in respect of the additional purchase price.

The Board of Directors of EPTI has therefore, subject to subsequent approval by the Extraordinary General Meeting, decided on a directed share issue to the sellers of Adhype AB of a maximum of 190,114 shares, entailing an increase in the share capital of a maximum of SEK 47,528.50. The subscription price has been set in the share transfer agreement between EPTI Factory AB and the sellers of Adhype AB and amounts to SEK 7.89 per share. This corresponds to a premium of approximately 277.51 percent compared to the closing price of the Company's share on Nasdaq First North Growth Market on 12 December 2022. In light of this, the Board of Directors considers that the marketability of the subscription price has been ensured. Payment shall be made by set-off upon subscription.

The reason for the deviation from the shareholders' preferential rights is to fulfil the conditions set out in the Adhype Agreement. The Board considers that it is to the benefit of all shareholders and the Company that the Company complies with its obligations under the Adhype Agreement.

Directed offset issue to some of the sellers in Adhype AB conditional on approval from the Extraordinary General Meeting

Following negotiations with the sellers of Adhype, the Company has agreed that part of the additional purchase price, which under the Adhype Agreement is to be paid in cash, will instead be paid in the form of newly issued shares in EPTI AB.

The Board of Directors of EPTI has therefore, subject to subsequent approval by the Extraordinary General Meeting, decided on a directed share issue to the sellers of Adhype AB of a maximum of 720,000 shares, entailing an increase in the share capital of a maximum of SEK 180,000.00. The subscription price has been set through arm's length negotiations with the sellers of Adhype AB at SEK 2.5 per share. This corresponds to a premium of approximately 19.62 per cent compared to

the closing price of the Company's share on Nasdaq First North Growth Market on 12 December 2022. In light of this, the Board of Directors considers that the marketability of the subscription price has been ensured. Payment shall be made by set-off upon subscription.

The reason for the deviation from the shareholders' preferential rights is to fulfil the Company's obligation to pay part of the additional purchase price for the subsidiary's acquisition of Adhype AB to the sellers in the form of newly issued shares instead of cash consideration. The Board of Directors has evaluated the feasibility of conducting a rights issue instead, but has found that the cost and time of such a process cannot be justified in view of the capital required to pay that portion of the additional purchase price. In view of the above, and in order to fulfil the Company's obligations under the share transfer agreement with the sellers, the Board of Directors therefore considers that it is in the interest of the Company and all shareholders to carry out the rights issue without pre-emptive rights to the Company's existing shareholders.

Directed offset issue to certain of the sellers Talnox Group AB conditional on subsequent approval by Extraordinary General Meeting

The Company's wholly owned subsidiary, EPTI Invest AB (formerly EPTI AB), entered into an agreement on 26 August 2021 to acquire 100 per cent. of the shares in the company Talnox Group AB (the "**Talnox Agreement**"). The purchase price for the acquisition consisted partly of a fixed part to be paid at the time of acquisition and partly of an additional purchase price, to be paid if Talnox Group AB's turnover increases during a 12-month period after the acquisition. The total value of the additional consideration is SEK 30 million and includes a combination of approximately SEK 4.8 million in cash and newly issued shares in EPTI Invest AB with a value equivalent to SEK 25.2 million. The company is of the opinion that the conditions for the additional purchase price are now fulfilled.

As EPTI Invest, at the time of entering into the Talnox Agreement, was the parent company of the Group, the Company has entered into an agreement with the sellers of Talnox Group AB and EPTI Invest AB to take over part of the claim that the sellers of Talnox Group AB have against EPTI Invest AB in respect of the additional purchase price.

The Board of Directors of EPTI has therefore, subject to subsequent approval by the Extraordinary General Meeting, resolved on a directed share issue to the sellers of Talnox Group AB of a maximum of 1,575,857 shares, entailing an increase in the share capital of a maximum of SEK 393,964.25. The subscription price has been fixed in the Talnox Agreement and amounts, after conversion into shares in the Company, to SEK 7.07 per share. This corresponds to a premium of approximately 238.28 percent compared to the closing price of the Company's share on Nasdaq First North Growth Market on 12 December 2022. In light of this, the Board of Directors considers that the marketability of the subscription price has been ensured. Payment shall be made by set-off upon subscription.

The reason for the deviation from the shareholders' pre-emptive rights is to fulfil the conditions set out in the Talnox Agreement. The Board considers that it is to the benefit of all shareholders and the Company that the Company complies with its obligations under the Talnox Agreement.

Proposal for a directed share issue to certain directors of the Company

The Shareholder has proposed that the Company resolves, at an Extraordinary General Meeting, to issue shares by way of a directed share issue to certain members of the Board of Directors of the Company.

The right to subscribe for shares shall, with deviation of the shareholders' preferential rights, be granted to Sebastian Nyaiesh, member of the Board of Directors of the Company, through the company Shifted Shape Capital AB; William Moulod, member of the Board of Directors of the Company, through the company Major Key AB; and Hans Isoz, Chairman of the Board of Directors of the Company (each, a "**Subscriber**"). Each Subscriber shall be entitled to subscribe for a maximum of 79,365 shares each. In total, the number of shares may thus increase by a maximum of 238,095 shares, entailing an increase in the share capital by a maximum of SEK 59,523.75.

Prior to the proposal for the directed share issue, the Shareholder considered the possibility of proposing a rights issue but concluded that a rights issue would be considerably more time-consuming and entail considerably higher costs in view of the number of shares proposed to be issued. The Shareholder also considers it important and positive for the Company and its shareholders that the Board increases its shareholding in the Company as it would, from a long-term perspective, bring about a greater unity of interest among the Company's management and shareholders.

It is proposed that the subscribers have the right to subscribe for shares at a price of SEK 3.15 per share. The subscription price has been negotiated with the Subscribers at arm's length. The proposed subscription price entails a premium for the Subscribers of approximately 50.72 per cent compared to the closing price of the Company's share on the Nasdaq First North Growth Market on 12 December 2022. In view of the above, the Shareholder considers that the marketability of the subscription price has been ensured and that the proposed rights issue is beneficial for all shareholders and the Company.

Extraordinary General Meeting

Notice of the Extraordinary General Meeting, for the approval of the directed issues with payment through set-off to the sellers of Adhype AB, the directed issue with payment through set-off to certain of the sellers of Talnox Group AB and the proposed directed share issue to certain persons within the Board of Directors will be announced by separate press release.

Dilution

Through the Board's decision, relying on the authorisation from the 2022 Annual General Meeting, on the directed offset issue to AllaNova AB, the number of shares in the Company will be increased by 1,363,429 and the share capital will be increased by SEK 340,857.00. The dilution for existing shareholders is estimated to be approximately 1.26 percent.

In the event that the Extraordinary General Meeting approves all the resolutions on directed new issues, the number of shares will be increased by a further 2,724,066 and the share capital will be increased by a further SEK 681,016.5. The dilution effect for the Company's shareholders is thus an additional approximately 2.5 percent.

CEO-comment

Through the share issues, the Company's balance sheet is strengthened ahead of 2023 by a total of approx. SEK 19.5 million at an average share price of SEK 4.77, which is approximately 128 percent above yesterday's closing price. In addition, it is proposed that the extraordinary general meeting decides on a directed issue of shares to three board members for a total amount of SEK 750,000 at a premium of approx. 51 percent compared to yesterday's closing price, which is of course a sign of strength for the Company, says CEO Arli Mujkic.

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About EPTI

EPTI invests capital and operational support for companies, entrepreneurs and founders to build market-leading innovative companies under the motto "We Empower Innovation". As a tech company builder, this is done by adding state-of-the-art technology, sales and marketing, design, HR, admin and recruitment in addition to capital. EPTI also starts companies and joint ventures with driven co-founders and companies. The companies in EPTI's portfolio are in the segments Gaming, Fintech, Marketplace, SaaS and Services. Since the start in 2017, a portfolio of more than 20 companies has been built up. The core business includes approximately 200 employees in eight countries around Europe. EPTI is more than an investment company, it is partly an investment company and partly a service company. A venture builder for founders, by founders.

For more information, see EPTI's website www.epti.com

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The Company's Certified Adviser is Eminova Fondkommission AB | +46 (0)8-684 211 00 | info@eminova.se

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Attachments

[EPTI resolves on directed share issues for the payment of loans and additional purchase payments and convenes an Extraordinary General Meeting to decide on a share issue to members of the Board of Directors](#)