

Arcario secures positive operating cash flow by acquiring Vanir Finance AS and raises approximately SEK 7.5 million through a directed share issue

Arcario AB ("Arcario") has today entered into an agreement to acquire all shares in Vanir Finance AS ("Vanir") from Klein Invest AS ("Klein Invest"), Kabaal Crypto AS and Haig Hodling AS, subject to the approval by the general meeting of Arcario (the "Acquisition"). The purchase price shall equal SEK 25,200,000 and shall be paid in the form of 2,100,000 newly issued shares in Arcario (the "Consideration Shares"). Arcario intends to summon an Extraordinary General Meeting to, among other things, approve the Acquisition and resolve on a directed issue of the Consideration Shares. In addition, the Board of Directors of Arcario has today, by virtue of the authorization from the Annual General Meeting held on 9 June 2023, carried out an issue of 625,000 shares directed to a limited group of investors to an amount of SEK 7.5 million (the "Share Issue"), as a prerequisite for financing the Acquisition.

The Acquisition

Arcario has today entered into a share purchase agreement regarding the acquisition of all shares in the Norwegian company Vanir. The consideration agreed between the parties in the Acquisition amounts to SEK 25,200,000 and shall be paid by issuing a promissory note. The consideration under the promissory note shall in its entirety be set-off against 2,100,000 Consideration Shares in Arcario, entailing a dilution of approximately 19.3 percent of the outstanding share capital and votes in Arcario. The Consideration Shares will be issued at a subscription price of SEK 0.012 per share. The purchase price in the Acquisition and the subscription price per Consideration Share have been determined through negotiations with the sellers conducted on arm's length and the subscription price corresponds to a premium of 9 percent to the closing price of Arcario's shares on Nasdaq First North Growth Market on 1 December 2023, which was the day on which the agreement on the price was reached in the negotiations. The Board of Directors therefore makes the assessment that the subscription price has been determined in such a way that market fairness has been ensured and that it reflects prevailing market conditions and demand. Further details on the issue of the Consideration Shares will be available in the notice convening the Extraordinary General Meeting, which will be published through a separate press release.

Closing of the Acquisition is subject to customary terms and conditions and is also conditional on the general meeting of Arcario approving the Acquisition and resolving on the issue of the Consideration Shares following proposal from the Board of Directors of Arcario. Arcario intends to summon an Extraordinary General Meeting to be held in January 2024 to, among other things, approve the Acquisition and resolve on an issue of the Consideration Shares. Provided that the general meeting approves the Acquisition, closing is expected to take place around the end of January 2024 and the promissory note regarding the consideration will be issued in connection therewith.

A prerequisite for the Acquisition was that the Board of Directors of Arcario had secured the Share Issue, thereby strengthening Arcario's liquidity in connection with the Acquisition. Therefore, the Board of Directors of Arcario has today resolved on the Share Issue as further described under "The Share Issue" below.

Background and motives for the Acquisition

Vanir develops a platform for lending against digital assets, which will be a great addition to Arcario's K33 platform. Vanir has a consultancy agreement ensuring a positive cash flow corresponding to the Arcario group's operational funding requirements over the next 24 months. The transaction will enable acceleration of Vanir's platform through integration with K33's platform. The added cash flow from Vanir is expected to result in Arcario achieving a positive operational cash flow immediately following the closing of the Acquisition.

"We are very excited to acquire Vanir. Vanir complements K33's product line very well, and the fact that their short-term revenue makes us cash flow positive as a group is a major step" says Arcario's CEO, Torbjørn Bull Jenssen, and continues "this provides the perfect foundation for building on the momentum we now have in K33 and capitalize on the increased momentum in the crypto sector."

Morten Klein, main owner of Vanir through Klein Invest, comments; "We are very excited to see Vanir, Arcario and K33 join forces, as we believe this is a strong operational fit. We are also very excited about becoming one of the company's major owners in line and together with Middelborg and Tigerstaden."

Provided that the Extraordinary General Meeting resolves on the approval of the Acquisition, the issue of the Consideration Shares and the issue of the shares as underwriting fee (described under "The Share Issue" below), Klein Invest will become one of the major shareholders of Arcario. Klein Invest currently holds approximately 6.6 percent of the shares and votes in Arcario. The reason that the issues of shares will be directed to Klein Invest and, in relation to the Consideration Shares, the other sellers of Vanir, with deviation from the shareholders' preferential rights, is to fulfil Arcario's obligations under the share purchase agreement.

The Share Issue

In connection with the signing of the agreement regarding the Acquisition, the Board of Directors of Arcario has today, by virtue of the authorization from the Annual General Meeting held on 9 June 2023, carried out the Share Issue of 625,000,000 shares on the following terms:

- The subscription price amounts to SEK 0.012 per share. The subscription price was determined through negotiations with the investors conducted on arm's length and corresponds to the subscription price for the Consideration Shares negotiated with the sellers of Vanir. The Board of Directors therefore makes the assessment that the subscription price has been determined in such a way that market fairness has been ensured and that it reflects prevailing market conditions and demand.
- Through the Share Issue, Arcario will receive proceeds to an amount of SEK 7.5 million, which will be used to cover costs related to the completion of the Acquisition and otherwise strengthen Arcario's liquidity.

- The Share Issue was directed to a limited group of investors, including Robert Keith, Livermore Invest AS, Tigergutt Invest AS, Porvenir AS, Jan Ivar Strømme, Bernhard von der Osten-Sacken, Magnus Helland, Schøyen & Horntvedt AS, Race Venture Scandinavia AB, Eie Utvikling AS, Terje Lundkvist, Camp Myrvold AS, Ole Gundersen Holding AS, Songa Capital AS and Guttis AS. The Share Issue was a prerequisite for the Acquisition and the reason for the deviation from the shareholders' preferential rights is to complete the Share Issue in a time and cost-efficient manner to enable the Acquisition. The Board of Directors assesses that it was crucial for the Acquisition that the Share Issue was carried out in a time-efficient manner and that a directed issue to the investors, with deviation from the shareholder's preferential rights, was the best option in order to secure the Acquisition. The limited group of investors includes Porvenir AS, Jan Ivar Strømme and Terje Lundkvist, who are currently shareholders in Arcario. By letting these shareholders participate in the Share Issue, Arcario was able to complete the Share Issue in a time-efficient manner in order to ensure that the Acquisition was secured and completed.
- Through the Share Issue, the number of shares and votes in Arcario will increase with 625,000,000 shares, from 8,768,877,824 to 9,393,877,824 (corresponding to a dilution of 6.7 percent) and the share capital will increase with SEK 2,280,452.407201, from SEK 31,995,213.667506 to SEK 34,275,666,074707.

To secure completion of the Share Issue and the Acquisition, the Share Issue was guaranteed by Klein Invest through an underwriting commitment for a fee of 100,000,000 new shares in Arcario. According to the underwriting agreement regulating the underwriting commitment, the underwriting fee shall be paid through the issuance of a promissory note to be set-off against 100,000,000 shares in Arcario issued through a directed share issue at a subscription price of SEK 0.012 per share, proposed to be resolved by the Extraordinary General Meeting. The subscription price has been determined in the same manner as the subscription price of the Consideration Shares. The Board of Directors therefore makes the assessment that the subscription price has been determined in such a way that market fairness has been ensured. The reason that the issue of shares shall be directed to Klein Invest, with deviation from the shareholders' preferential rights, is to fulfil Arcario's obligations under the underwriting agreement.

Extraordinary General Meeting

Arcario intends to summon an Extraordinary General Meeting to be held in January 2024, where the Board of Directors intends to propose that the general meeting resolves to approve the Acquisition, resolves on a directed issue of the Consideration Shares and resolves on a directed issue of shares as payment for the underwriting fee under the underwriting agreement with Klein Invest. In addition, to further strengthen Arcario's balance sheet, the Board of Directors intends to propose that the general meeting resolves on a set-off issue of shares in order to set-off existing liabilities of at least SEK 6.6 million.

Further details on the proposed resolutions will be available in the notice convening the Extraordinary General Meeting.

Indicative timetable for the Acquisition

December 2023	Notice of Extraordinary General Meeting of Arcario is published
January 2024	Extraordinary General Meeting of Arcario
Around end of January 2024	Closing of the Acquisition, subscription and allotment of Consideration Shares to the sellers of Vanir
Around end of January 2024	Registration of shares issued as Consideration Shares

For further information, please contact:

Torbjørn Bull Jenssen, CEO, Arcario AB

e-mail: ir@arcario.com

web: arcario.com/ir

This information is information that Arcario 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 2023-12-06 08:50 CET.

About Vanir:

Vanir is a FinTech company developing a platform to facilitate crypto collateralised lending, integrating both traditional and decentralised finance.

About K33:

K33 is an innovative, research-led digital assets brokerage, empowering EMEA clients with industry-leading insights, multi-exchange brokerage services, and tailored managed funds. Accessible at k33.com or through distribution partners, the unified K33 platform offers a comprehensive suite of digital asset investment solutions.

About Arcario:

Arcario is an industrial investment company within digital asset space, committed to shaping the future of finance as we know it. The company boasts a diversified portfolio that includes K33, a research-led digital assets brokerage, Green Data, an eco-friendly Bitcoin mining operation, and minority stakes in LN Markets, a Bitcoin exchange leveraging the Lightning Network and Finpeers, a startup democratizing access to private financial markets through tokenization. The Company is listed on Nasdaq First North Growth Market and Mangold Fondkommission is Certified Adviser.

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Forward-looking statements

This press release contains forward-looking statements that reflect the Company's intentions, beliefs, or current expectations about and targets for the Company's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company operates. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe", "expect", "anticipate", "intend", "may", "plan", "estimate", "will", "should", "could", "aim" or "might", or, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors and readers of this press release should not place undue reliance on the forward-looking statements in this press release. The information, opinions and forward-looking statements that are expressly or implicitly contained herein speak only as of its date and are subject to change without notice. Neither the Company nor anyone else undertake to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this press release.

Attachments

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