

ZignSec Completes the Acquisition of UK-based Web Shield Ltd as Was Announced in a Press Release on June 9, 2021

ZignSec AB (publ) ("ZignSec" or the "Company") as today completed the acquisition of Web Shield Limited, including its subsidiaries Web Shield Services GmbH, Web Shield Services Polska sp.z.o.o and 50% of Web Shield Legal Services sp.z.o.o ("Web Shield") which was announced in a press release on June 9, 2021 (the "Transaction") for an up-front purchase price of approximately EUR 20.0 million, equivalent to approximately SEK 201.5 million (using the FX rate EUR/SEK on June 8, 2021).

Completion of the Transaction

The purchase price was paid partly by 4,109,094 shares in ZignSec (as calculated below), equivalent to a value of SEK 100,754,984.88 (the "Consideration Shares"), and partly by a cash payment of EUR 10 million (SEK 100.8 million).

The board of directors of ZignSec has resolved to issue the Consideration Shares pursuant to the authorization granted by the annual general meeting on May 26, 2021 at a price of SEK 24.52 per share, which equals the ten-day VWAP of ZignSec's shares on Nasdaq First North Growth Market up to and including June 8, 2021. By issuing the Consideration Shares, the number of shares and votes in the Company increases by 4,109,094. The share capital increases by SEK 162,843.40.

Upon completion of the Transaction the sellers of Web Shield will own approximately 12.2 percent of the total number of shares and votes in ZignSec. 25 percent of the Consideration Shares will be subject to a 3-month lock-up period and 75 percent are subject to an 18-month lock-up period from the date of signing the transaction.

As was previously announced, the sellers are also entitled to a Deferred Consideration of up to EUR 8 million (equivalent to approximately SEK 80.6 million using the FX rate EUR/SEK on June 8, 2021) to be paid within one month of Web Shield having completed the audited financial statements for the year 2021, but no later than September 1, 2022 (the "Deferred Consideration"). The Deferred Consideration will be paid at 50 percent with cash and at 50 percent with ZignSec shares (the "Deferred Consideration Shares"). The subscription price for the Deferred Consideration Shares shall correspond to the VWAP for ZignSec's shares on the Nasdaq First North Growth Market during the ten consecutive trading days prior to the issue of the Deferred Consideration Shares. The Deferred Consideration Shares will be subject to a one-year lock-up from the issue date.

Press Release
02 July 2021 16:20:00 CEST



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About ZignSec

ZignSec AB (publ) is a RegTech company that develops and operates a technical platform that brings together different types of ID verification methods in one place. The methods are used by companies to securely and quickly identify online customers in real time. The company's customers are found in several industries where identification is important, with the greatest concentration in financial services and other regulated businesses.

Nasdaq First North (ZIGN)

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Attachments

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