

# INVITATION TO SUBSCRIBE FOR UNITS IN ZWIPE AS

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**As a shareholder in Zwipe AS you will receive subscription rights in the Rights Issue. Please note that the subscription rights are expected to have an economic value.**

In order not to lose the value of the subscription rights, the holder must either:

- » Sell the subscription rights not exercised no later than 7 December 2023; or
- » Exercise the subscription rights received and subscribe for Units no later than 13 December 2023 (and no later than 12 December 2023 for subscription rights traded on Nasdaq First North Growth Market)

Please note that (i) shareholders can only exercise subscription rights and subscribe for Units in accordance with applicable securities legislation and (ii) shareholders with nominee-registered holdings (i.e., in securities depository, in a bank or a securities firm) must subscribe for Units through their respective nominees.

**Restrictions on distribution of the prospectus and subscription of Units in certain jurisdictions**

Not for distribution, publication or release in or to the USA, Australia, Japan, New Zealand, Switzerland, Singapore, South-Africa, Hongkong, Canada, Russia or Belarus. The prospectus may not be sent to persons in these countries or any other jurisdiction to which it is not permitted to deliver Units except in accordance with applicable law. Unless expressly stated otherwise in the prospectus, Units may not be offered, sold, transferred or delivered directly or indirectly, in or to any of these jurisdictions.

This EU growth prospectus was approved by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) on 24 November 2023.

This prospectus is valid for a period of up to 12 months from the date of approval, provided that Zwipe AS complies with the obligation, in accordance with the (EU) 2017/1129 Prospectus Regulation, if applicable, to provide supplements to the prospectus in the occurrence of significant new factors, material mistakes or material inaccuracies, which may affect the assessment of the securities in the company. The obligation to prepare a supplement to the prospectus is valid from the approval date of this prospectus until the end of the subscription period. Zwipe AS is under no obligation to prepare supplements to this prospectus after the end of the subscription period.

## IMPORTANT INFORMATION

"**Prospectus**" refers to this EU growth prospectus. The Prospectus has been prepared by Zwipe AS (the "**Company**", and together with its subsidiaries, the "**Group**" or "**Zwipe**"), a private limited liability company incorporated and existing under the laws of Norway, with its Shares admitted to listing on Euronext Growth Oslo, a multilateral trading facility operated by Euronext through Oslo Børs ASA, and Nasdaq First North Growth Market, a registered SME Growth Market, operated by an exchange within the Nasdaq group of companies, solely for use in connection with a rights issue of 58,413,732 Units (the "**Units**") at a Subscription Price of NOK 0.60 per Unit (the "**Subscription Price**"), (the "**Rights Issue**"). The term Unit refers to a cohesive entity consisting of one (1) newly issued share and one (1) complimentary attached warrant of series TO1. Two (2) warrants of series TO1 entitle to subscribe for one (1) new Share. This Prospectus has been prepared solely for use in connection with the Rights Issue. The Company has engaged Hagberg & Aneborn Fondkommission AB as manager in the Rights Issue (the "**Manager**").

This Prospectus has been prepared to comply with Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market (the "**EU Prospectus Regulation**"). This Prospectus has been prepared solely in the English language. This Prospectus has been approved by the Financial Supervisory Authority of Sweden (Sw. *Finansinspektionen*) (the "**Swedish FSA**"), as competent authority under the EU Prospectus Regulation. The Swedish FSA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation, and such approval should not be considered as an endorsement of the issuer or the quality of the securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the securities. Further, this Prospectus will be passported to Norway and the Company has requested the Swedish FSA to send a notification to the Norwegian regulator, Finanstilsynet in this respect.

Investing in the Company's Shares, (the "**Shares**") or other securities in the Company including the Units, and trading in the subscription rights involves a high degree of risk. Prospective investors should read the entire Prospectus and in particular consider the Section "**Risk factors**" beginning on page 38 before investing in the Units and/or subscription rights. In making an investment decision, prospective investors must rely on their own examination, and analysis of, and enquiry into the Group and the terms of the Rights Issue, including the merits and risks involved. Neither the Company, the Manager, any of their respective affiliates, representatives, advisers or selling agents, are making any representation to any offeree or purchaser of the Units and/or subscription rights regarding the legality or suitability of an investment in the Units and/or subscription rights. Each reader of this Prospectus should consult with his or her own advisers as to the legal, tax, business, financial and related aspects of a purchase of the Units and/or subscription rights.

The information contained herein is current as at the date of this Prospectus and is subject to change, completion and amendment without notice. In accordance with Article 23 of the EU Prospectus Regulation, significant new factors, material mistakes or material inaccuracies relating to the information included in this Prospectus, which may affect the assessment of the Units and/or the subscription rights and which arises or is noted between the time when the Prospectus is approved by the Swedish FSA and the expiry of the subscription period, will be mentioned in a supplement to this Prospectus without undue delay. Neither the publication nor distribution of this Prospectus, nor the sale of any Unit and/or subscription right, shall under any circumstances imply that there has been no change in the Group's affairs or that the information herein is correct as of any date subsequent to the date of this Prospectus.

This Prospectus 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 distribution of this Prospectus and participation in the Rights Issue may in certain jurisdictions be restricted by law. This Prospectus does not constitute an offer of, or an invitation to purchase, any of the Units or subscription rights in Australia, Belarus, Hong Kong, Japan, Canada, New Zealand, Russia, Switzerland, Singapore, South Africa, the United States of America or in any other jurisdiction in which such offer or sale would be unlawful. No one has taken any action that would permit a public offering of the Units or subscription rights to occur outside of Norway or Sweden. Accordingly, neither this Prospectus nor any advertisement or any other offering material may be distributed or published in any jurisdiction except as permitted by applicable laws and regulations. Persons in possession of this Prospectus are required to inform themselves about, and to observe, any such restrictions. In addition, the Units and/or the subscription rights are subject to restrictions on transferability and resale in certain jurisdictions and may not be transferred or resold except as permitted under applicable securities laws and regulations. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time. Any failure to comply with these restrictions may constitute a violation of applicable securities laws.

### Nasdaq First North Growth Market and Euronext Growth Oslo

Nasdaq First North Growth Market is an SME growth market, in accordance with the Directive on Markets in Financial Instruments (EU 2014/65) as implemented in the national legislation of Denmark, Finland and Sweden, operated by an exchange within the Nasdaq group. Euronext Growth Oslo is a multilateral trading facility operated by Euronext through Oslo Børs ASA. Issuers on Nasdaq First North Growth Market and Euronext Growth Oslo are subject to a less extensive set of rules and regulation than issuers on a regulated market. The risk in investing in an issuer on Nasdaq First North Growth Market and Euronext Growth Oslo may therefore be higher than investing in an issuer on a regulated market.

All issuers with shares admitted to trading on Nasdaq First North Growth Market have a Certified Adviser who monitors that the rules are followed. The respective Nasdaq exchange approves the application for admission to trading.

### Industry and market information

Industry publications or reports usually state that information reproduced therein has been obtained from sources deemed reliable, but that the accuracy and completeness of such information cannot be guaranteed. Zwipe has not verified the information, and therefore cannot guarantee the accuracy, of the industry and market information reproduced in the Prospectus which has been taken from or derived from industry publications or reports. Such information is based on market research, which by its nature is based on selection and subjective assessments, including assessments of the type of products and transactions that should be included in the relevant market, both by those conducting the research and those consulted.

The Prospectus also contains estimates of market data and information derived therefrom which cannot be obtained from publications of market research institutions or any other independent sources. Such information has been produced by Zwipe based on third party sources and the Company's own internal estimates. In many cases, there is no publicly available information and such market data from, for example, industry organizations, authorities or other organizations and institutions. Zwipe believes that its estimates of market data and information derived therefrom are useful to give investors a better understanding of both the industry in which the Company operates and the Company's position in the industry.

Information from third parties has been reproduced correctly and, as far as Zwipe is aware and can ascertain from such information, no facts have been omitted that would make the reproduced information incorrect or misleading.

### Financial information

Certain financial information and percentages included in the Prospectus have been rounded. As a result, the values displayed as totals in some tables do not always have the exact summaries of the actual values.

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## DOCUMENTS INCORPORATED BY REFERENCE

Investors should take note of all the information incorporated in the Prospectus by reference and the information, to which reference is made, should be read as part of the Prospectus. The information listed below shall be deemed to be incorporated into the Prospectus by reference.

Copies of the Prospectus and the documents that include the information incorporated by reference can be obtained from Zwipe AS electronically through the Company's website, [www.zwipe.com](http://www.zwipe.com), or received from the Company in paper format at the Company's head office at the address: Henrik Ibsens gate 90, 0255 Oslo, Norway.

Please note that the information on the Company's website, or other websites to which reference is made, is not included in the Prospectus unless this information is incorporated into the Prospectus by reference. The information on the Company's website, or other websites referred to in the Prospectus, has not been reviewed or approved by the Swedish FSA.

- Zwipe AS's audited financial report with financial statements (p. 29 – 49) for the financial year ended 31 December 2022, including the auditor's report (p. 50 – 52) (<https://www.zwipe.com/reports/annual-report-2022> )
- Zwipe AS's audited financial report with financial statements (p. 35-54) for the financial year ended 31 December 2021, including the auditor's report (p. 55-58) (<https://www.zwipe.com/reports/annual-report-2021> ); and
- Zwipe AS's first half report for the period January 1 – 30 June 2023. (<https://www.zwipe.com/reports/zwipe-h1-2023-report> ).

## SUMMARY

### (A) Introduction and warnings

Name and ISIN code of the securities	The offering comprises Units, consisting of shares in Zwipe AS with ISIN code NO0010721277 and warrants with ISIN code NO0013068130.
Identity, LEI code and contact information	Legal name: Zwipe AS Reg. no: 994 553 607 LEI code: 5493006AMNMWEM49PY42 Address: Henrik Ibsens gate 90, 0255 Oslo, Norway Telephone: +46 705193407 Website: <a href="http://www.zwipe.com">www.zwipe.com</a>
Competent authority	The Swedish Financial Supervisory Authority (Sw. <i>Finansinspektionen</i> ) Address: Box 7821, 103 97, Stockholm Telephone: +46 8 408 980 00 <a href="http://www.fi.se">www.fi.se</a>
Date of approval of the Prospectus	24 November 2023
Warnings	<p>This summary should be read as an introduction to the Prospectus. Any decision to invest in the securities should be based on a consideration of the Prospectus as a whole by the investor. Investors can lose all or parts of their invested capital.</p> <p>If a claim related to the information in this Prospectus is brought before a court of law, the investor who is plaintiff under national legislation may be obliged to pay the cost of translating the Prospectus before the legal proceedings commence.</p> <p>Liability under civil law covers only those persons who have issued the summary, including translations of it, but only if the summary is misleading, incorrect, or inconsistent with the other parts of the Prospectus or if the summary, taken together with other parts of the Prospectus, does not provide key information in order to aid investors when considering whether to invest in such securities.</p>

### (B) Key information about the issuer

General information about the issuer	<p><u>The issuer's domicile, legal form and law</u> Zwipe AS reg. no. 994 553 607, with LEI code 5493006AMNMWEM49PY42, is a Norwegian private limited liability company, organised and existing under the laws of Norway pursuant to the Norwegian Private Limited Liability Companies Act of 13 June 1997 (the "<b>Companies Act</b>").</p> <p><u>The issuer's principal activities</u> Zwipe AS shall develop solutions providing safe, fast and simple identification of persons by means of biometry. The solutions may be used on various hardware platforms, such as card, phones, computers and any other equipment which may carry our solutions. The company may develop new solutions and will take part in investment, consulting and development activities as well as other activities in relevant markets.</p> <p><u>The issuer's major shareholders</u> The table below shows the Company's major shareholders (holding &gt; 5 percent of the number of Shares and/or votes), as per 20 October 2023, including any known subsequent changes. As far as the Company is aware, there is no direct or indirect ownership that can lead to a change in control of the Company.</p> <table border="1"> <thead> <tr> <th>Name</th> <th>Number of Shares and votes</th> <th>Number of Shares and votes, %</th> </tr> </thead> <tbody> <tr> <td>Erik Selin Fastigheter AB</td> <td>9,249,372</td> <td>15,83 %</td> </tr> <tr> <td>Vasastaden / Niclas Eriksson</td> <td>6,925,424</td> <td>11,86 %</td> </tr> <tr> <td>VP Bank</td> <td>4,043,870</td> <td>6,92 %</td> </tr> <tr> <td>Lars Windfeldt and related parties</td> <td>3,487,709</td> <td>5,97 %</td> </tr> <tr> <td><b>In total</b></td> <td><b>23,706,375</b></td> <td><b>48,58 %</b></td> </tr> <tr> <td><b>Total shares in the Company</b></td> <td><b>58,413,732</b></td> <td><b>100 %</b></td> </tr> </tbody> </table> <p>The CEO of Zwipe AS is Robert Puskaric.</p>	Name	Number of Shares and votes	Number of Shares and votes, %	Erik Selin Fastigheter AB	9,249,372	15,83 %	Vasastaden / Niclas Eriksson	6,925,424	11,86 %	VP Bank	4,043,870	6,92 %	Lars Windfeldt and related parties	3,487,709	5,97 %	<b>In total</b>	<b>23,706,375</b>	<b>48,58 %</b>	<b>Total shares in the Company</b>	<b>58,413,732</b>	<b>100 %</b>
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Key financial information	Selected items from income statement			
	1 January – 30 June 2023 (unaudited)	1 January – 30 June 2022 (unaudited)	Full year 2022 (audited)	Full year 2021 (audited)
<b>Total revenue</b>	1 732	815	3,929	2,541
<b>Operating profit/loss</b>	-55,724	-47,619	-104,164	-82,997
<b>Net profit or loss</b>	-56,147	-47,691	-104,780	-83,471
<b>Earnings per share (if applicable)</b>	-1.14	-1.28	-2.80	-2.45
	Selected items from balance sheet			
	30 June 2023 (un-audited)	30 June 2022 (un-audited)	31 December 2022 (audited)	31 December 2021 (audited)
<b>Total assets</b>	98,442	122,645	67,643	163,414
<b>Total equity</b>	85,379	108,814	54,634	148,547
	Selected items from cash flow statement			
	1 January – 30 June 2023 (un-audited)	1 January – 30 June 2022 (un-audited)	Full year 2022 (audited)	Full year 2021 (audited)
<b>Cash flow from operating activities</b>	-57,680	-47,592	-108,130	-76,693
<b>Cash flow from investing activities</b>	-1,745	-968	-1,451	-1,712
<b>Cash flow from financing activities</b>	84,090	5,046	5,095	105,245
	Key figures			
(Amounts in TNOK)	H1 2023	H1 2022	Full Year 2022	Full Year 2021
<b>Revenue</b>	1,732	815	3 929	2,541
<b>Gross margin %</b>	30 %	10%	45 %	66 %
<b>Net income</b>	-55,724	-47,619	-104,780	-83,471
<b>EBITDA**</b>	-54,711	-47,135	-102,288	-74,603
<b>Adjusted EBITDA**</b>	-54,456	-41,224	-96,377	-81,703
<b>Average number of Shares outstanding in period*</b>	49,192,938	37,315,752	37,405,138	34,000,382
<b>Earnings per share*</b>	-1.14	-1.28	-2.80	-2.45
<b>Net cash flow from operating activities</b>	-57,680	-47,592	-108,130	-76,693
<b>Net cash flow from Investing activities</b>	-1,745	-968	-1,1451	-1,712
<b>Net cash flow from financing activities</b>	84,090	5,046	5,095	105,245

	<b>Total net cash flow</b>	25,493	-42,627	-101,879	27,090
	<b>Cash and cash equivalents end of period</b>	75,960	109,719	50,466	152,346
	<b>Total assets end of period</b>	98,442	122,645	67,643	163,414
	<b>Equity ratio %</b>	87%	89%	81%	91%
	<b>Adjusted operational expenses (OPEX)**</b>	57,201	42,523	102,182	92,637
	*Actual numbers, not TNOK ** Alternative Performance Measures. Unaudited.				
<i>Key risks that are specific to the issuer</i>	<p><b>The Group is pursuing nascent markets where meaningful commercialization has not yet materialized</b></p> <p>The Group develops solutions for biometric authentication of transactions made by contactless payment cards ("<b>Zwipe Pay</b>"), and also develops solutions for access control ("<b>Zwipe Access</b>") based on the same core technology Zwipe uses for Zwipe Pay. As the Group offers two products, it is dependent on commercialization in both of the markets in which the products are offered.</p> <p>A failure of the markets for Zwipe Pay and Zwipe Access, respectively, to materialize, to materialize more slowly than expected, or to materialize at lower volumes than expected, could each jeopardize the Group's existence. A delay in the two markets' ramp up would cause corresponding delays in the Group's ability to achieve a positive cash flow and cause the Company to require additional financing for its scale-up phase which in turn could have a material adverse effect on the Group and/or its reputation, business, results of operations, cash flows, financial condition, prospects and/or its ability to continue as a going concern.</p> <p>The Company estimates that the probability that the risks as above occur is medium. If the risks occur, the Company assesses that the expected extent of the adverse effects is high.</p> <p><b>The potential markets for Zwipe Pay and Zwipe Access biometric smart cards are highly competitive</b></p> <p>It is possible that only a limited number of the players in the biometric smart card space will be able to successfully establish a commercially viable market share if and when the markets for biometric payment cards and biometric access control cards do mature.</p> <p>There is a risk that the Group will not be able to achieve and/or sustain a commercially viable market share to support its strategy and business plan in the face of competition for both Zwipe Pay and Zwipe Access. Competing products may be launched to the market before the Group is able to establish a viable market share for its products, or competing products with alternative functionality may gain a dominant market share. There is also the possibility that the Group's products may require additional product development or improvement in manufacturing process to achieve mass commercialization, and that this occurs after competitors have already established market shares.</p> <p>The Company estimates that the probability that the risks as above occur is medium. If the risks occur, the Company assesses that the expected extent of the adverse effects is high.</p> <p><b>The Group has not yet established stable and substantial income, and the amount of required additional capital is uncertain</b></p> <p>The Group is dependent on market acceptance of its biometric products and successful establishment of a commercially viable market share for Zwipe Pay and Zwipe Access solutions to generate positive business results. The markets in which Zwipe operates have not yet materialized, and consequently, the Group has not established positive cash flows. If the Group is unsuccessful in raising capital funding when needed in the future or if such capital is only available on terms that are detrimental to the Group, this could have a material adverse effect on the Group and/or its reputation, business, results of operations, cash flows, financial condition, prospects and/or its ability to continue as a going concern.</p> <p>The Company estimates that the probability that the risks as above occur is high. If the risks occur, the Company assesses that the expected extent of the adverse effects is high.</p>				

(C) **Key information about the securities**

<i>Information about the securities, rights associated with the securities and dividend policy</i>	All of the Company's Shares are fully paid, freely transferable and of the same share class. The new Shares issued as a result of the Rights Issue of Units are of the same class as the rest of the Shares in the Company.
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	<p>The Company is a private limited liability company based in Norway and the existing Shares are, and the Shares issued in the Rights Issue will upon issuance be, registered in book-entry form with VPS and Euroclear with international securities identification number ("ISIN") NO0010721277. Thus, no physical share certificates are issued. The Company's Shares are denominated in NOK, are issued to the holder, and issued pursuant to the laws of Norway. All of the Company's Shares are fully paid, freely transferable and of the same share class. The Company's share capital is, as of the date of the Prospectus, NOK 5,841,373.20 and the number of Shares is 58,413,732. Each share has a quota value of NOK 0.10.</p> <p>Each share entitles to one vote at general meetings and each shareholder is entitled to a number of votes corresponding to the holder's number of Shares in the Company.</p> <p>If the Company issues new Shares, warrants or convertible debentures in the event of a cash issue or set-off issue, the shareholders generally have a preferential right under the Norwegian Private Limited Companies Act to subscribe for such securities in relation to the number of Shares held before the issue. Distribution of profits and holding on liquidation All Shares in the Company give equal rights to dividends as well as to the Company's assets and any surpluses in the event of liquidation. Decisions on dividends in limited companies are made by the shareholders meeting. The right to a dividend accrues to the person who on the record date decided by the shareholders meeting is registered as a holder of Shares in the share register kept by Euroclear. Dividends are normally paid to shareholders as a cash amount per share through Euroclear, but payment can also be made in other than cash (dividends). If the shareholders cannot be reached through Euroclear, the shareholder's claim on the Company regarding the dividend amount remains for a period limited by rules on ten-year limitation.</p> <p>Zwipe has not paid any dividends since its incorporation, and the Company does not anticipate paying any dividends in the short term. The Group is focusing on the development and commercialization of biometric technology products and does not anticipate paying any cash dividend until sustainable profitability is achieved.</p>
<i>Marketplace for the securities</i>	<p>The Shares are, and the warrants will be listed on Euronext Growth Oslo, a multilateral trading facility operated by Euronext through Oslo Børs ASA, and Nasdaq First North Growth Market, a registered SME Growth Market, operated by an exchange within the Nasdaq group of companies, classified as a growth market for small and medium-sized companies and a multilateral trading platform. These markets do not have the same legal status as regulated markets. Instead, they are subject to a less extensive set of rules and regulations adjusted to small growth companies.</p>
<i>Key risks that are specific to the securities</i>	<p><b>It cannot be guaranteed that participation in the Rights Issue will not result in loss of investment due to fluctuations in the trading price for the Shares</b></p> <p>A subscription of Units in the Rights Issue will be binding and irrevocable, and cannot be withdrawn, cancelled, or modified by the subscriber after having been received. The trading price for the Shares has fluctuated significantly in the past. The Units will not be delivered to the investors immediately following subscription, meaning that there is a risk that the Shares in the period from the investor's subscription of Units until delivery of the Units may trade below the Subscription Price in the Rights Issue due to inter alia volatility in the Norwegian and global equity capital markets. If the Shares trade below the Subscription Price, this will result in a loss of investment in the Units for the investor irrevocably committing to subscribe for the Units.</p> <p><b>Existing shareholders who do not participate in the Rights Issue may experience a significant dilution of their shareholding</b></p> <p>Subscription rights that are not sold before close of trading on Euronext Growth Oslo (at 16:30 hours CET) and on Nasdaq First North Growth Market (at 17:30 hours CET), respectively, on 7 December 2023 or exercised by the end of the subscription period will have no value and will automatically lapse without compensation to the holder. To the extent that an existing shareholder does not sell its subscription rights before close of trading on 7 December 2023 or exercise its subscription rights prior to the expiry of the subscription period, whether by choice or due to a failure to comply with the procedures in the rights issue or to the extent that an existing shareholder is not permitted to subscribe for Units such existing shareholder's proportionate ownership and voting interests in the Company after the completion of the Rights Issue will be diluted. Even if an existing shareholder chooses to sell its unexercised subscription rights, or such subscription rights are sold on its behalf, the consideration it receives in the trading market for the subscription rights may not reflect the immediate dilution in its shareholding resulting from the completion of the Rights Issue.</p>

**(D) Key information about the offering**

<i>Investment terms and timetable</i>	<p>On 22 November 2023, an extraordinary general meeting of the Company passed the resolution to increase the Company's share capital by NOK 5,841,373.20 through the issuance of 58,413,732 Units. Each Unit consists of one (1) ordinary share and one (1) warrant of series TO1.</p>
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	<p><u>Record date</u> Existing shareholders who are registered in the Company's shareholder register in the VPS or in Euroclear as of the record date (24 November 2023) will receive subscription rights.</p> <p><u>Preferential rights</u> Existing shareholders will be granted tradable subscription rights giving a preferential right to subscribe for, and be allocated, Units in the Rights Issue. Each existing shareholder will be granted one (1) subscription right for each existing Share registered as held by such existing shareholder on the record date. One (1) subscription right will, subject to applicable securities laws, give the right to subscribe for, and be allocated, one (1) Unit. Every Unit consists of one (1) new Share and one (1) warrant of series TO1. Two (2) warrants of series TO1 entitle the holder to subscribe for one (1) new Share.</p> <p><u>Subscription period</u> The subscription period will run from and including 28 November 2023 until and including 13 December 2023. On Nasdaq First North Growth Market, the subscription period will run from and including 28 November 2023 until and including 12 December 2023.</p> <p><u>Subscription price</u> The Subscription Price in the Rights Issue is NOK 0.60 per Unit which corresponds to a Subscription Price of NOK 0.60 per share. For subscribers whose subscription rights are held in Euroclear, the Subscription Price has been converted to SEK based on the European Central Bank's NOK/SEK conversion rate as of 7 November 2023. The subscription price in SEK has accordingly been determined to SEK 0.59. The warrants are issued free of charge. No commission is applied.</p> <p><u>Terms and conditions of the warrants</u> Two warrants of series TO1 gives the right to subscribe for one ordinary share in the Company in the period beginning on 2 December 2024 and ending 13 December 2024. The subscription price upon exercise of the warrants shall be 70 percent of the ten-day VWAP (Volume Weighted Average Price) for the last ten trading days prior to commencement of the exercise period, but never lower than the par value of each share and never more than NOK 1.20.</p> <p><u>Allocation</u> Units will be allocated in the Rights Issue in accordance with the following criteria: (a) Allocation of Units shall be made according to granted or acquired transferable subscription rights which have been validly exercised during the subscription period. (b) Units not allocated pursuant to a) above, will be allocated to subscribers who have exercised their transferable subscription rights and oversubscribed. These subscribers will be allocated additional Units based on the amount of transferable subscription rights exercised by each subscriber. To the extent that pro rata allocation is not possible, the Company will determine the allocation by drawing lots. (c) If not all Units in the Rights Issue are allocated pursuant to a) and b) above, Units will be allocated to the guarantors who have entered into bottom guarantee commitments, on a pro-rata basis based on the amount of each guarantor's guarantee commitment. To the extent that pro-rata allocation is not possible, the Company will determine the allocation by drawing lots.</p> <p><u>Dilution</u> The Company's total number of Shares will upon full subscription increase by 58,413,732 new Shares following the Rights Issue resulting in a total of 116,827,464 Shares outstanding, implying a dilution of approximately 50 percent for existing shareholders not participating in the Rights Issue. If all the warrants of series TO1 are exercised, the Company's total number of Shares will increase by 29,206,866 new Shares resulting in a total of 146,034,330 Shares outstanding, implying a dilution of 60 percent for existing shareholders not participating in the Rights Issue.</p> <p><u>Costs</u> The costs to be paid by the Company with regards to the share capital increase is currently estimated to approximately NOK 7.1 million.</p>
<p><i>Background and rationale for the offering and use of funds</i></p>	<p><u>Motives and background</u> Zwipe is a Norwegian biometric authentication technology company established in 2009, focused on developing and commercializing secure, fast, and easy-to-use biometric authentication solutions with broad applications in payments, access control, and other potential segments. Since 2019, smart card manufacturers ("SCM") have started launching biometric payment card specific manufacturing lines, semiconductor providers have begun developing dedicated offerings for this market, and the entire biometric payment card value chain has matured significantly. Zwipe has made significant progress and signed numerous smart card manufacturing customers across the world, broadening their customer base. In addition, Zwipe has entered multiple important partnerships to enhance their go-to-market strategy and accelerate the adoption of biometric payment cards. The Company's first commercial launches and ongoing pilots give the Company insights into commercial adoption of its offerings.</p> <p>Over the past two years, Zwipe has achieved a number of important milestones. In 2022, the Company received its single largest commercial order for Zwipe Pay in a single quarter totalling \$225,000. The Zwipe Pay Biometric Payment Card Platform received certification from both Visa</p>

and Mastercard, and the Fraport biometric access control project at Frankfurt Airport was successfully completed. In 2023, the Company completed a rights issue raising approximately NOK 100 million in capital in the first quarter and also announced its first two commercial launches with Kuwait International Bank and Middle East Payment Services. Beautiful Card Corporation became our second customer to be certified by both Visa and Mastercard, and Zwipe launched a proof of concept at Richmond International Airport in the USA. Zwipe has continued to sign go-to-market partners in Zwipe Pay in new regions, particularly in APAC. And catering to the strong demand for access control solutions in the market, Zwipe has now initiated more than 10 proof of concept projects with partners, and is engaging with numerous, well-known system integrators and distributors to accelerate a partner-led go-to-market strategy for the deployment of biometric access cards in key verticals and markets.

It is the Company's assessment that the existing working capital is not sufficient for the current needs over the coming twelve-month period. Subject to the Rights Issue being completed, the Company is of the opinion that the working capital available to the Group is sufficient for the Group's present requirements for the period covering at least 12 months from the date of this Prospectus. In order to ensure that the Company has sufficient operating and development capital for the next twelve-month period, the board of directors has decided to carry out the Rights Issue. The Rights Issue is also carried out in order to strengthen the Company's financial position and enable the ongoing transition from start-up to scale-up.

#### The use of proceeds

Upon full subscription of the offering, the Company will raise approximately NOK 35.0 million before transaction costs, which are estimated to be approximately NOK 7.1 million. The net proceeds from the Rights Issue (and the warrants of series TO1) will be used to enable larger-scale commercialization of its Zwipe Pay and Zwipe Access offerings.

At the date of this Prospectus, the Company predicts that funds will be allocated approximately: i) 45% for funding ongoing operational and supply chain expenses, ii) 30% for accelerating go-to-market strategy for Zwipe's solutions and executing more pilot projects in a streamlined manner, and iii) further maturing Zwipe's technology and assisting Zwipe's customers in becoming certified and mass production ready. Any specific uses, fixed amounts, timing of the actual uses etc. will depend on numerous factors, including the Group's future revenues and gross profit, go-to-market strategy across regions and within business lines, progress with pilots, widespread Issuer commercial launch of biometric payment cards, supply chain costs, technology roadmap, modifications to technology related to changes in Payment Scheme certification specifications, and operating costs.

#### Conflicts of interest

In their capacity as Zwipe's financial advisor in connection with the Rights Issue, Hagberg & Aneborn Fondkommission receives a pre-agreed compensation for services provided. The size of this compensation depends on the outcome of the Rights Issue. In addition, Hagberg & Aneborn Fondkommission has provided, and may in the future provide, services within the framework of regular operations and in connection with other transactions for Zwipe, for which they have received, or may receive, compensation.

Apart from the above-mentioned interest in the successful completion of the Rights Issue, there are no economic or other interests or conflicts of interest between the actors who, in accordance with the above, have economic or other interests in the Rights Issue.

## PERSONS RESPONSIBLE, THIRD PARTY INFORMATION AND APPROVAL

### Persons responsible

The board of directors of Zwipe AS is responsible for the contents of the Prospectus. To the best of the board of directors' knowledge, the information provided in the Prospectus complies with the factual circumstances and no information has been omitted from the Prospectus that could affect its content. The Company's board composition as at the date of the Prospectus is set out below.

Name	Position
Jörgen Lantto	Chairman of the board of directors
Dennis Jones	Member of the board of directors
Robert Jansson	Member of the board of directors
David Chew	Member of the board of directors
Christina Örn	Member of the board of directors

### Approval of the Prospectus

The Prospectus has been approved by the Swedish FSA, which is the Swedish national competent authority, in accordance with Regulation (EU) 2017/1129. The Swedish FSA approves the Prospectus only to the extent that it meets the requirements for completeness, comprehensibility and consistency specified in Regulation (EU) 2017/1129. The approval should not be seen as any kind of support for the issuer or support for the quality of the securities referred to in the Prospectus. Each investor should make their own assessment of whether it is appropriate to invest in the offering as outlined in the Prospectus. The Prospectus has been prepared as an EU growth prospectus in accordance with Article 15 of Regulation (EU) 2017/1129.

### Information from third parties

The Company confirms that information from any third parties in the Prospectus has been reproduced correctly and that, as far as the Company is aware and can ascertain from information published by the third party concerned, no facts have been omitted that would make the reproduced information incorrect or misleading. Unless explicitly stated otherwise, statements in the Prospectus are based on the joint assessment of the board of directors and senior management. The third-party sources that the Company has used in the preparation of the Prospectus appear in the list of sources on the following page.

Some parts of the Prospectus refer to information on websites. The information on these website does not form part of the Prospectus, unless the information has been incorporated by reference, and has not been reviewed or approved by the Swedish FSA.

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## **MOTIVES, INTERESTS AND ADVISERS**

### **Motives and background**

Zwipe is a Norwegian biometric authentication technology company established in 2009, focused on developing and commercializing secure, fast, and easy-to-use biometric authentication solutions with broad applications in payments, access control, and other potential segments. Since 2019, smart card manufacturers (“SCM”) have started launching biometric payment card specific manufacturing lines, semiconductor providers have begun developing dedicated offerings for this market, and the entire biometric payment card value chain has matured significantly. Zwipe has made significant progress and signed numerous smart card manufacturing customers across the world, broadening their customer base. In addition, Zwipe has entered multiple important partnerships to enhance their go-to-market strategy and accelerate the adoption of biometric payment cards. The Company’s first commercial launches and ongoing pilots give the Company insights into commercial adoption of its offerings.

Over the past two years, Zwipe has achieved a number of important milestones. In 2022, the Company received its single largest commercial order for Zwipe Pay in a single quarter totalling \$225,000. The Zwipe Pay Biometric Payment Card Platform received certification from both Visa and Mastercard, and the Fraport biometric access control project at Frankfurt Airport was successfully completed. In 2023, the Company completed a rights issue raising approximately NOK 100 million in capital in the first quarter and also announced its first two commercial launches with Kuwait International Bank and Middle East Payment Services. Beautiful Card Corporation became our second customer to be certified by both Visa and Mastercard,. Zwipe has continued to sign go-to-market partners in Zwipe Pay in new regions, particularly in APAC. In Zwipe Access, Zwipe launched a proof of concept at Richmond International Airport in the USA in 2022. Catering to the strong demand for access control solutions in the market, Zwipe has now initiated more than 10 proof of concept projects with partners thus far in 2023, and is engaging with numerous, well-known system integrators and distributors to accelerate a partner-led go-to-market strategy for the deployment of biometric access cards in key verticals and markets.

It is the Company's assessment that the existing working capital is not sufficient for the current needs over the coming twelve-month period. In order to ensure that the Company has sufficient operating and development capital for the next twelve-month period, the board of directors has decided to carry out the Rights Issue. The Rights Issue is also carried out in order to strengthen the Company's financial position and enable the ongoing transition from start-up to scale-up.

### **The use of proceeds**

Upon full subscription of the offering, the Company will raise approximately NOK 35.0 million before transaction costs, which are estimated to be approximately NOK 7.1 million. The net proceeds from the Rights Issue (and the proceeds from the warrants of series TO1) will be used to enable larger-scale commercialization of its Zwipe Pay and Zwipe Access offerings.

At the date of this Prospectus, the Company predicts that funds will be allocated approximately: i) 45% for funding ongoing operational and supply chain expenses, ii) 30% for accelerating go-to-market strategy for Zwipe's solutions and executing more pilot projects in a streamlined manner, and iii) further maturing Zwipe's technology and assisting Zwipe's customers and partners in becoming certified and mass production ready. Any specific uses, fixed amounts, timing of the actual uses etc. will depend on numerous factors, including the Group's future revenues and gross profit, go-to-market strategy across regions and within business lines, progress with pilots, widespread issuer commercial launch of biometric payment cards, supply chain costs, technology roadmap, modifications to technology related to changes in Payment Scheme certification specifications, and operating costs.

### **Advisers**

Hagberg & Aneborn Fondkommission provides financial advice and other services to the Company in connection with the offering. Hagberg & Aneborn Fondkommission (as well as related companies) have provided, and may in the future provide, various banking, financial, investment, commercial and other services to the Company for which Hagberg & Aneborn Fondkommission has received, or may receive, remuneration. Advokatfirman Schjødt is legal advisor to the Company in connection with the offering.

### **Conflicts of interest**

In their capacity as Zwipe's financial advisor in connection with the Rights Issue, Hagberg & Aneborn Fondkommission receives a pre-agreed compensation for services provided. The size of this compensation depends on the outcome of the Rights Issue. In addition, Hagberg & Aneborn Fondkommission has provided, and may in the future provide, services within the framework of regular operations and in connection with other transactions for Zwipe, for which they have received, or may receive, compensation.

Apart from the above-mentioned interest in the successful completion of the Rights Issue, there are no economic or other interests or conflicts of interest between the actors who, in accordance with the above, have economic or other interests in the Rights Issue.

## BUSINESS AND MARKET OVERVIEW

### The Company's business

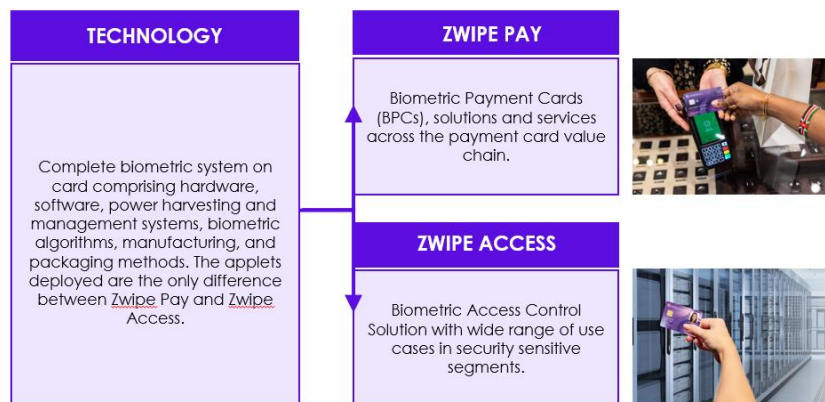
#### General information

Zwipe AS reg. no. 994 553 607, is a Norwegian private limited liability company organized under the laws of Norway. The Company was incorporated on 8 September 2009 as a Norwegian private limited liability company (Nw. aksjeselskap), and it was registered with the Norwegian Register of Business Enterprises on 8 October 2009. Zwipe AS is domiciled in Norway and has its legal address at Henrik Ibsens gate 90, 0255 Oslo, Norway. The Company's telephone number is +46705193407 and its website is [www.zwipe.com](http://www.zwipe.com). The contents available on [www.zwipe.com](http://www.zwipe.com) is not incorporated by reference into, or otherwise forms part of, this Prospectus. Zwipe AS's LEI code is 5493006AMNWMEM49PY42. According to the Company's articles of association, the principal activities of the Company is to develop solutions providing safe, fast and simple identification of persons by means of biometry. The solutions may be used on various hardware platforms, such as card, phones, computers and any other equipment which may carry our solutions. The company may develop new solutions and will take part in investment, consulting and development activities as well as other activities in relevant markets.

#### Introduction

Zwipe is a biometric authentication technology company. The Group has two unique businesses – Zwipe Pay and Zwipe Access – built upon the same core technology platform, enabling payments and access control with world-class security and convenience.

**Figure 1: Overview of Zwipe's businesses**



Following its incorporation in 2009 and through 2021, Zwipe focused on the R&D of its technology, proof of concept and initial pilots of its products and services,

and Payment Scheme certifications. In 2022 and 2023, Zwipe entered into a new phase, centered upon commercial and organizational scale-up and wider roll-out of its products and services. As market adoption of biometric payment cards is planned to accelerate and the market for biometric access control cards is established, Zwipe's pace of commercialization is expected to pick up in 2024.

The Company is a Norwegian private limited liability company with its Shares listed on Euronext Growth Oslo and Nasdaq First North Growth Market under ticker symbol "Zwipe".

Zwipe employ 26 full-time equivalent persons as of the date of this Prospectus. Zwipe is headquartered in Oslo, Norway, with a global presence through its Group companies in Germany, UK, Singapore, USA and Sweden and with employees in additional jurisdictions.

#### Principal activities and products offering

##### Zwipe Pay

The first major application area for Zwipe's biometric authentication technology is in payments with Zwipe Pay. Despite widespread use elsewhere, fingerprint verification has not yet been integrated in commercial mass deployments of contactless payment cards. Zwipe aims to be an important player in establishing this market for biometric payment cards, which is seen as high as 500-1,200 million units<sup>1</sup> manufactured per annum within the next ten years.

In September 2019, Zwipe entered a strategic partnership with Idemia<sup>2</sup>, one of the world's leaders in identity technologies and one of the largest payment card manufacturers<sup>3</sup>, to collaborate on a disruptive technology platform seen as a catalyst for growth in the industry.<sup>4</sup> The engagement with Idemia was a major step forward for Zwipe, allowing the company to fully exploit its strong customer relationships built over the years of early technology development for biometric cards. The product resulting from Zwipe's collaboration with Idemia is Zwipe Pay.

Zwipe Pay represents a comprehensive solution offered as a bundle of pre-certified components which enable the manufacturing of a biometric payment card. The core component is the ISO contact plate module, which includes a secure element with biometric JavaCard OS plus Visa and MasterCard biometric-aware payment applets. The second essential component is the fingerprint sensor manufactured by Idex which Zwipe delivers on 35mm tape for efficient mounting into a card. Finally, the bundle includes the card inlay delivered as prelaminated sheets made to customer specifications. Enrolment solutions, including a unique mobile enrolment solution, allow for convenient enrolment of cardholders while system integration support makes Zwipe Pay a complete turnkey solution. The Zwipe Pay

<sup>1</sup> Source: Biometrics Payments – Market & Technology Analysis, Adoption Strategies and Forecasts 2021-2026”, Goode Intelligence, 30 March 2021 (behind paywall) and "UBS forecasts widespread adoption of biometric payment cards", NFCW, 22 February 2021.

<sup>2</sup> Source: <https://www.idemia.com>.

<sup>3</sup> Source: Nilsson Report, issue 1229, October 2022.

<sup>4</sup>Source: "Idemia and Zwipe partner to offer a disruptive biometric card platform" <https://zwipe.com/news>, 19 September 2019.



platform integrates and simplifies component design and manufacturing process for SCMs that do not have the requisite inhouse knowledge of the Tier 1 SCMs, resulting in biometric payment cards that can be manufactured turnkey at competitive cost and high volume.

The picture below illustrates the key components of Zwipe Pay:

- Integrated Circuit ("IC") module with a biometric secure element underneath the ISO Contact Plate
- Fingerprint sensor
- Passive wired inlay

**Figure 2: Key components of Zwipe Pay**



Zwipe's direct customers are EMV-certified SCMs. The SCMs buy the components from Zwipe and laminate cards with the issuer's unique design on a printed layer on top and bottom of the Zwipe pre-laminated sheet. Both the Zwipe Pay module and the fingerprint sensor are then mounted post-lamination. This is a standard process for dual-interface cards which Zwipe has pioneered in biometric cards, obtaining patents and working closely with equipment manufacturers to ensure a seamless integration for customers.

The financial services industry is ripe for innovation with biometrics. The winners will be those who can provide a best-in-class mix of convenience, safety and security at an acceptable cost. Zwipe combines an appealing technology platform from a cost and performance perspective with a "one stop shop" engagement model – playing the role of trusted advisor and systems integrator:

**Figure 3: Zwipe's position within the payment card value chain**



In addition to sales of a biometrics payment package to SCMs, Zwipe offers value-added services, technical advisory, go-to-market support and implementation support to other players across the payment card value chain, aiming to accelerate the adoption of BPCs.

### Zwipe Access

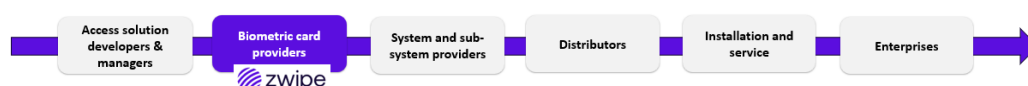
The second major application for Zwipe's biometric authentication technology is in access control with Zwipe Access, which builds upon Zwipe's position in the payments space. With increased security awareness globally, physical and logical access control is increasingly common, and Zwipe Access has a wide range of uses in security sensitive segments. Many access control systems are antiquated and will need to be upgraded to retain a high-security level - with smart card readers expected to become the dominant reader type, and almost 700 million smart access cards expected to be shipped by 2026.<sup>5</sup>

The Group's biometric access control card solution enables organizations to augment the security of their existing infrastructure, based on contactless technologies like HID SEOS and LEGIC Advant, without the need to change the readers already installed. It also brings the robust authentication capabilities of biometrics without the need to create and maintain a database of users' biometric information. The lack of need for a database makes it easier to deal with regulations regarding data protection (i.e. GDPR) in a growing number of countries. With no need to change existing infrastructure and no requirements for database maintenance, Zwipe believes that its access control solution offers a faster and lower cost upgrade path of existing access control solutions than with competing biometric solutions based on face, iris, or handprint recognition.

In late 2021, Zwipe Access cards were fully validated for integration into access control installations based on HID Seos technology, used by millions of people in more than 100 countries. During the first half of 2022, Zwipe Access also integrated the Legic applet and made its card ready for the Legic Advant access control solution.

In 2023, Zwipe Access moved into a production environment. Zwipe Access technology is built on the same core technology as Zwipe Pay. Zwipe has started signing up system integrator ("SI") partners in multiple countries to accelerate its go-to-market strategy in Legic Advant and HID SEOS markets. As with Zwipe Pay, Zwipe aims to provide solutions and services across the access control system value chain:

**Figure 4: Zwipe's position within the access control system value chain**



<sup>5</sup> Source: "Access Control Reader Market – Global forecast to 2024", Markets and Markets, August 2019 / Zwipe Market Intelligence.

As shown above Zwipe's position in the access market value chain differs from the payment cards value chain, since it is a complete biometric card provider in this card segment. Beyond selling Zwipe Access solutions our SI and distributor partners, Zwipe offers value-added services, technical advisory, go-to-market support and implementation support to players across the access control system value chain.

While biometric solutions are new and currently have low customer and market awareness, Zwipe expects this area to grow rapidly and for biometric cards to take a significant percentage market share of the total smart access card market. As with payments, Zwipe's mission is to both help establish the market for biometric access control cards and become a leader therein.

#### Technology and R&D

Zwipe's design and development approach is that of a system integrator – incorporating its own technology along with other leading technologies. Zwipe has taken advantage of this system integrator approach by developing differentiating technologies specifically for space-constrained, ultra-low power environments. Because Zwipe has close collaboration with other players in the payments and access control ecosystems, Zwipe has been able to build valuable know-how, expertise and partnerships in both value chains.

Zwipe's Core Technology includes the Zwipe Technology Platform as well as related in-house expertise and intellectual property. The core components of the Zwipe Technology Platform have been designed to enable cost-efficient manufacturing of a biometric smart card using existing equipment. Customers benefit from Zwipe's experience at the component and system levels. Zwipe's dedicated packaged components enable post-lamination mounting into a card body of both a biometric secure element (in an ISO plate package) and a fingerprint sensor (delivered on 35mm tape). This is essential to enable high reliability, low yield loss, and reasonable cost.

Zwipe's expertise includes biometric inlay design and layout for biometric smart cards, full biometric smart card construction and manufacturing know-how, in-house integration and testing expertise to accommodate security and identity management use cases, payment and biometric system integrations and biometric enrolment solutions design.

#### Intellectual property

##### General

Zwipe's assets include a wide range of intellectual property rights ("IPR"). The Group has developed a comprehensive IP strategy and IP policy, which jointly relates to the development, ownership, protection, and commercial exploitation of IP created by employees in the course of their duties or activities for the Group.

Zwipe Core Technology is developed and based on different IP rights owned by Zwipe. Zwipe has at the time of this Prospectus, 19 active patent families, with patents granted across 13 of those families. Zwipe has several patents related to power harvesting, system design and other areas of the Zwipe Core Technology,

such as manufacturing methods, applications and enrolment. An important strategy for Zwipe is to protect its IP and continue developing patents as well as filing new patents for new inventions discovered during the course of a development phase.

All IP rights are owned by the Company. Zwipe has established an employee program to organize training, incubation of ideas for disclosures, transfer of rights to the Company and compensation of inventors.

IP remains a core asset that Zwipe will use wisely to gain advantages, protect the Zwipe Technology Platform and potentially license to other companies. Besides developing new IP, Zwipe constantly monitors the IP landscape and third-party patents that may affect freedom to operate. Contracts with supplier partners are reviewed carefully to ensure all components are delivered to Zwipe free from third-party rights.

#### Patents

The Company has, *inter alia*, been granted the patents, which in the Company's opinion are important to its current business, for the following elements of its product:

- Fingerprint enrolment algorithm
- Power harvesting
- Power load management
- Biometric enrolment authorization
- Contactless biometric identification device allowing multiple configurations
- Security protected Radio Frequency Identification ("RFID") device
- Enrolment envelope

These patents have already been granted in one or more jurisdictions (*e.g.*, U.S., China and the United Kingdom) with applications for further patent grants for each of them in several other jurisdictions.

These patents have, in general, a 20-year lifespan from the date of the PCT filing, and they expire in the period 2033 to 2038 depending on the PCT filing date.

Zwipe's patents with industry-wide applications, including production methods and communication and power harvesting, might provide opportunities for future licensing revenues.

There are two patents that are potentially important:

"**Poi**" – Optimizing integration of fingerprint sensors in biometric payment cards by utilizing existing industry processes:

- This patent covers a method of manufacturing a biometric payment card with an on-board biometric sensor, where first a card body is formed having a circuit embedded within it, and then a cavity is formed in the card body to expose contacts on the circuit to connect to the biometric sensor. In the

card manufacturing industry, this production method is commonly referred to as post-placement, enabling industrialized and scalable manufacturing techniques such as hot lamination of plastic cards without damaging the sensor.

- Filing date April 2012. Granted in EPO countries Belgium, France, Germany, United, Kingdom, Spain, Norway, Sweden, as well as USA, China, South Korea and Australia.
- The patent was in 2018 challenged in the EPO by multiple industrial groups. As a result, the patent for the abovementioned European countries is currently in an appeal process which is expected to take a minimum of an additional three to four years to complete. During this period the rights granted under the EPO patent are upheld for the patent holder until a final decision is rendered. The patent is not challenged in USA, China, South Korea and Australia.
- The outcome of this arbitration will not have a significant effect on the Group's business or financial position, since both a ruling in favor of and against Zwipe only means upside potential for licensing and does not affect the core business of selling components and solutions for biometric smart cards.

**"Po5"** – Facilitating the energy harvesting by biometric payment cards from payment terminals:

- This patent addresses the challenge that RFID readers compliant with ISO/IEC 14443, such as contactless payment terminals, pulse their excitation field (energy emission) on and off, rather than emitting steadily, making the power insufficient to run a biometric authentication on a biometric payment card.
- In accordance with international standard ISO/IEC 14443, this patent allows the pulsating radio frequency field to stabilize for as long as the commands from the card requests it being necessary for a biometric authentication to take place. Zwipe is not aware of any way to power a passive biometric payment card from standard ISO/IEC 14443 readers without utilizing the invention described in the Po5 patents.
- Filing date October 2014. Patents have been granted in Singapore, the UK, the USA, and an EPO patent has been granted with national patents being validated in Belgium, France, Germany, Netherlands, Norway, Poland, Spain, Sweden and Turkey. The patent has subsequently also been granted in Hong Kong, China, Japan and South Korea.

#### Customers and customer agreements

The direct customers of Zwipe are EMV-certified SCMs. They purchase the ISO contact plate modules, fingerprint sensors and passive inlays to integrate them into their card manufacturing processes to produce finished biometric payment cards. The end-customers of Zwipe Pay biometric cards manufactured by SCMs are the financial institutions distributing the payment cards to their cardholders. Since SCMs produce biometric payment cards at the request of an Issuer, the Issuers represent the ultimate decision-makers. Zwipe has recently increasingly engaged in dialogue with the Issuers on pilots and to prepare them for biometric payment market take-off. Zwipe's solutions for biometric enrolment can be sold to SCMs or directly to the Issuers.

In the biometric access cards market, Zwipe's customers are our system integrator, ISV and access card supplier partners, who then sell Zwipe finished cards to enterprises.

### Competitive position

Zwipe benefits from i) being focused solely on biometric smart cards, in contrast to our competitors' wider activities and ii) being seen as a first mover with significant expertise beyond card manufacturing. Thus, despite being a small company in an ecosystem of larger players, Zwipe is of the view that it has a strong position in both payments and access control.

The payment market is typically split into biometric payment card constellations, where various contributors along the value chain provide different technologies and solutions to bring a biometric payment card to market. The market is characterized by both cooperation and competition and it is not unusual that the same companies are customers, consortium partners, suppliers and competitors to each other at the same time. Zwipe provides different products and services at various points in the payment card value chain, and thus faces differing of competition at each stage.

For Zwipe Pay, the three Tier-1 players, THALES, IDEMIA and G+D, have developed and certified their own product for their own needs. But Zwipe is of the view that it is the first biometric card platform provider with products available for sale to SCMs that has successfully completed all the required tests to gain certifications from the two largest schemes in the payment market, VISA and Mastercard.

The competitive landscape within biometric access control consists of both card suppliers and producers of biometric systems. Biometrics are increasingly used within access control, but biometric access control cards are still a new solution with low customer and market awareness. Different types of biometric solutions exist such as those for voice, iris, and fingerprint recognition. Some direct competitors with a similar product to Zwipe exist, but most of the competition will be from other types of access solutions – both biometric and otherwise.

### Strategy

#### Value proposition

- Zwipe Pay is an innovative and complete turnkey solution for biometric payment cards, providing cardholders increased safety, security, privacy, convenience and control in contactless payments.
- Zwipe Pay has a significant global addressable market with BPCs estimated as high as 15-20 percent of approximately 3.5 billion total EMV card shipments expected by 2030<sup>6</sup>.

<sup>6</sup> Source: "Biometrics Payments – Market & Technology Analysis, Adoption Strategies and Forecasts 2021-2026", Goode Intelligence, 30 March 2021 (behind paywall) and "UBS forecasts widespread adoption of biometric payment cards", NFCW, 22 February 2021.

- Zwipe Access is a biometric access control solution for security sensitive segments, a rapidly growing area driven by enterprise needs for higher security, and better data privacy compliance.
- The same "biometric system on card" core technology underpins both businesses, with Zwipe offering excellent biometric performance and security at competitive cost levels.
- Zwipe provides additional value-added services end-to-end across the payment card and access control system value chains.
- Zwipe has a broad go-to-market strategy directly targeting SCMs and system integrators, and indirectly their customers such as banks and enterprises, leveraging a fast-growing partner and solutions provider network.
- Strong team with extensive experience within the fields of biometrics, smart cards, payments, R&D, operations, finance and sales.

#### Vision

Zwipe is pioneering next generation biometric cards for payment and access control solutions. The Group promises customers and partners deep insight and a seamless user experience with its innovative products and services.

As seen in the mobile phone market, consumers have rapidly embraced biometrics for safe and secure authentication, with fingerprint sensor penetration going from 0 percent in 2012 to 45 percent in 2016 to approximately 86 percent in 2020.<sup>7</sup> This is paving the way for a larger adoption of biometrics in other field of applications, notably payments and access control.

Zwipe's vision is to be a global leader in biometric authentication solutions for payment and access control cards. Ultimately, the Group believes the inherent uniqueness of every person is the key to making cards safer, more convenient and more secure to use.

#### Strategic pillars

The Group's strategic pillars outlined below should be viewed as broad strategic aspirations and do not provide any firm guidance from the Group.

#### **Accelerate growth of Zwipe Pay**

- Execute a focused customer and partner engagement strategy.
- Execute a focused issuer engagement strategy, helping financial institutions get from pilot to large-scale commercial deployments.
- Strengthen issuer pilot execution and SCM production readiness.

<sup>7</sup> Source: "Fingerprint Sensor is Becoming Standard Feature in Smartphones", Counterpoint research, 30 September 2017 and "Unit shipments of mobile phones worldwide from 2009 to 2026", Statista, 5 December 2022 and "1.6 Billion Mobile Fingerprint Sensor Shipments in 2020", HIS, 25 January 2016.

- Differentiate by being a company solely focused on biometric technology, providing a full biometric solution to partner SCMs built on industry-leading components and know-how.
- Function as the R&D center for SCMs and provide solution and implementation support for introducing biometric payment solutions

### **Establish and grow Zwipe Access business in selected verticals**

- Execute a partner-driven go-to-market strategy for Zwipe Access finished cards.
- Differentiate by having a solution that provides multi-factor authentication without the need to upgrade the existing reader infrastructure, with a solution also certified for payments.
- Support system integrators in expanding their offering to also include biometric access control cards.

### **Continued innovation to meet customer needs**

- Further improve Zwipe Pay and Zwipe Access technology to meet future market demands efficiently and competitively.
- Make Zwipe Pay and Zwipe Access ready for mass volume deployment, including enrolment solutions.
- Collaborate with important partners on further developing the technology platform.
- Be the most customer-centric provider of biometric solutions in both Zwipe Pay and Zwipe Access.

## **The Company's markets**

### **Payment market overview and trends**

The share of cash used in point of sale ("POS") transactions is expected to decline from 18 percent in 2021 to 10 percent in 2025.<sup>8</sup> This increases the market share of digital/mobile payments and card payments in total transaction volumes.

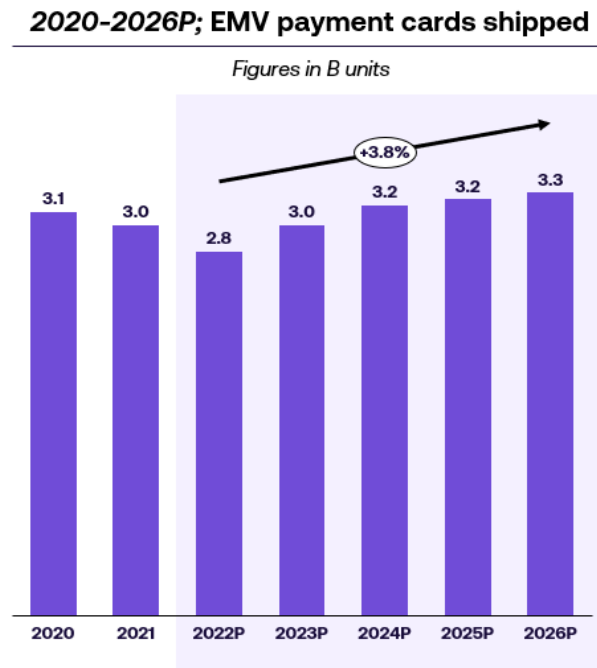
Despite the global shift towards digital/mobile payments, the number of issued EMV cards (EMV stands for Europay, Mastercard and Visa, the three institutions that created said standard) is still projected to grow through 2026 and beyond. This is mainly driven by Europe, the Middle East, and the Americas where payment systems are highly payment card centred.

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<sup>8</sup> Source: "Global Payments Report for Financial Institutions and Merchants," FIS / WorldPay, 2022.

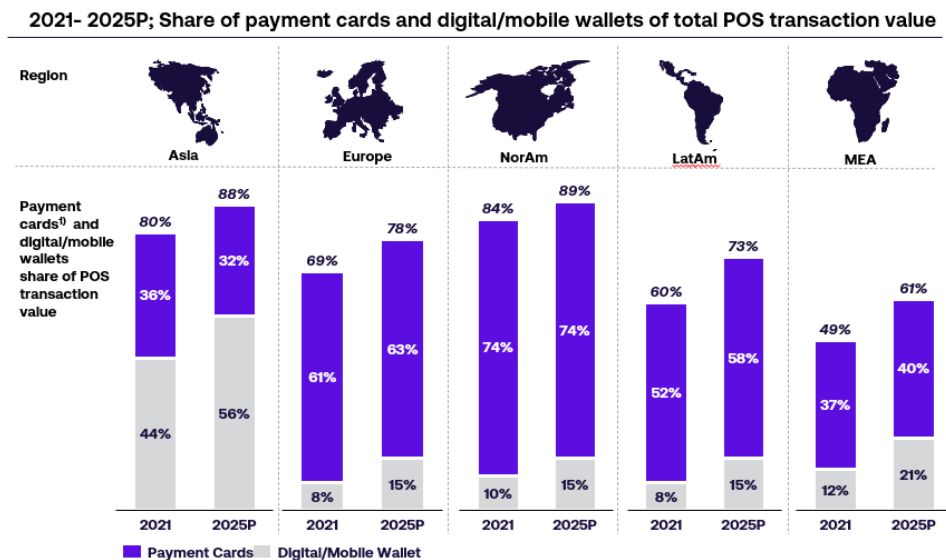


Figure 7: 2020-2026P; EMV payment cards shipped<sup>9</sup>



<sup>9</sup> Source: "Biometric Payment Card Developments, Projects and Market Opportunities," ABI Research, Sealy, Phil and Sam Gazeley, published online on April 29, 2022.

**Figure 8: 2021-2025P; Share of payment cards and digital/mobile wallets of total POS transaction value<sup>10</sup>**



Note 1) Payment cards includes both credit, debit and prepaid cards.

The adoption of contactless payments was a gradual process that required an infrastructure upgrade (networks, authorization systems, terminals). But in recent years contactless transaction volumes increased across many markets due to the increased number of payment terminals with near-field communication capability. Contactless cards were already the global payment card standard in 2021 and 90-95 percent market penetration for contactless cards is expected by 2026.<sup>11</sup>

The growth of contactless payments indicates that consumers today desire new payment solutions that focus on improving their experience. Contactless payments – whether contactless cards or mobile wallets – allow cardholders to pay quickly and seamlessly. The caps on transaction limits of contactless payments have increased post-COVID-19, from levels around €25 to levels typically around €50. Meanwhile, security measures in place are typically limited, and consist of requesting a PIN after the contactless limit has been surpassed, after the number of transactions has surpassed a limit, or the device has been used multiple times under the limit in a short period of time. Raising the transaction limit cap has further increased cashless spending and is expected to continue to do so, particularly if security concerns are addressed – which is where biometric payment cards come in.

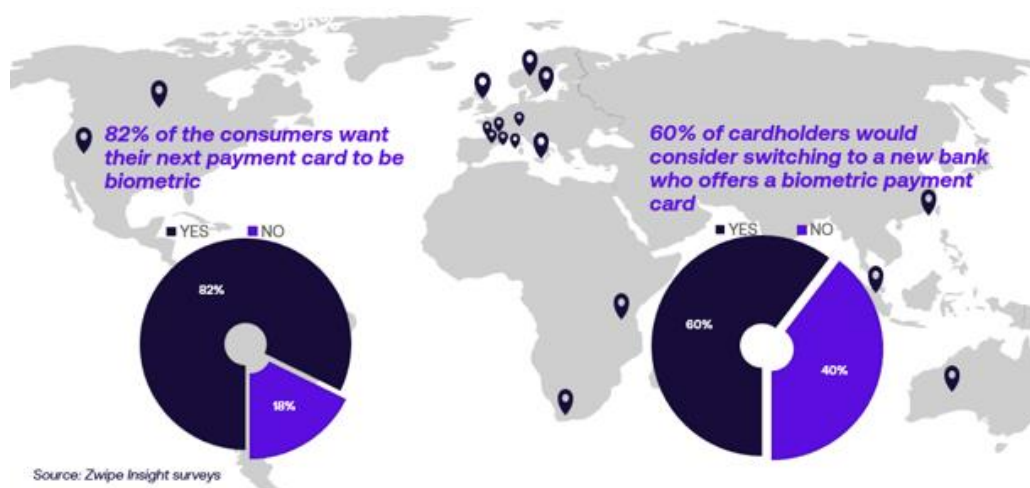
Unlike standard dual-interface cards where a lost/ stolen card can be misused "up to the PIN limit", biometric payment cards have the ability to prevent any unauthorised payment. There appears to be strong demand from consumers for biometric payment cards. Zwiipe surveyed over 3200 cardholders across 17 countries

<sup>10</sup> Source: "Global Payments Report for Financial Institutions and Merchants," FIS / WorldPay, 2022.

<sup>11</sup> Source: "Biometric Payment Card Developments, Projects and Market Opportunities," ABI Research, Sealy, Phil and Sam Gazeley, published online on April 29, 2022.

to measure consumers' interest in biometric payment cards. In H1 2022, payment preferences of consumers in Germany, Austria, the Netherlands, Italy, Taiwan, Thailand and Australia were surveyed. The results are summarized below:

**Figure 9: Consumers demand biometric payment cards<sup>12</sup>**



Beyond consumers, there are demands for more security from other stakeholders in the payment ecosystem which are facilitating adoption of biometric payment cards:

- **Regulators:** Require strong customer authentication (as under Directive (EU) 2015/2366 - Payment Services Directive ("PSD 2") in the EU).
- **Governments:** Focus on biometric solutions to minimize fraud and identity issues (i.e. healthcare and social benefits), minimize infections and increase peace of mind. Biometrics can also help drive financial inclusion and facilitate access to financial services.
- **Payment Schemes:** Increase the growth of contactless payments to improve convenience, security, and safety, and are introducing industry mandates to ensure infrastructure readiness. Both schemes have released biometric payment specifications.
- **Issuers:** Differentiation, customer peace of mind, and increased revenue from top-of-wallet effects, Issuers aim to reduce fraud and skimming with biometrics.
- **Retailers:** Benefit from "100 percent point of sale contact-free" promise of biometric payments, a reduction in disputed transactions like chargebacks, and the increased speed of transaction of a biometric payment card compared to a customer entering a PIN code at the terminal.

### Payment card industry overview

The payment card manufacturing market is dominated by three Tier 1 players, defined by 1) total card manufacturing per annum of greater than 350 million cards, and 2) a global presence. Beyond Tier 1, there are many smaller producers with local reach.

- Tier 1 consists of Thales, IDEMIA, and G+D. Tier 1 companies are categorized by very high production volumes and global geographic presence.

<sup>12</sup> Source: Insights. "Zwipe," <https://www.zwipe.com/insights>.

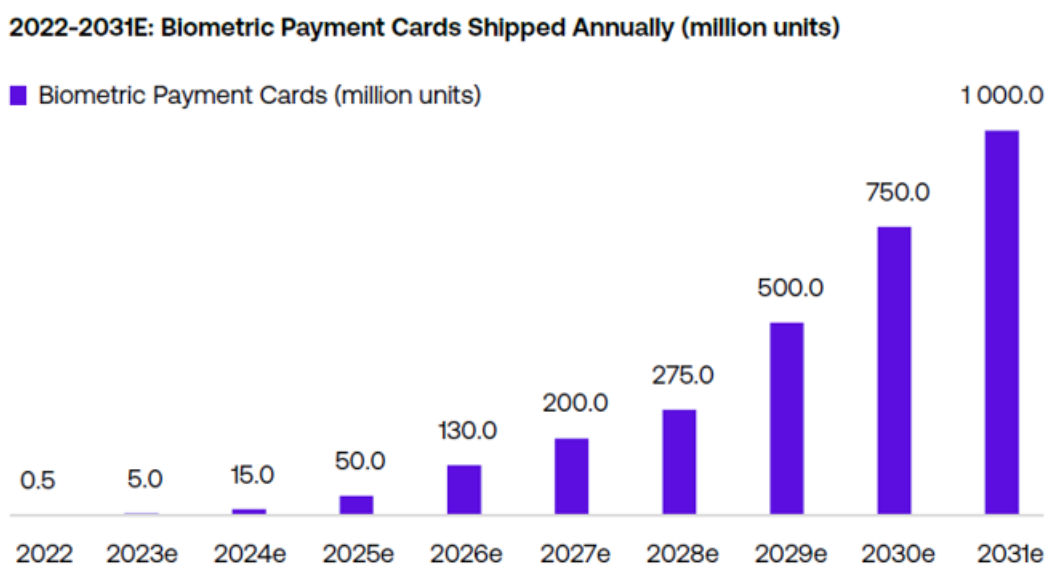
- Tier 2 consists of players with a production of approximately 50-350 million payment cards annually. Generally, they have less extensive geographic reach than Tier 1, but still high volumes within penetrated markets.
- Tier 3 includes all remaining manufacturers with production volumes less than 50 million payment cards annually. They are generally limited to one or a few geographic markets.

Factors differentiating the tiers also include internal competencies and resources, with research and development ("R&D") investments and technical expertise higher among Tier 1 SCMs than with smaller SCMs who lack substantial innovative power.

### Biometric payment card market

Biometric payment cards (BPCs) are expected to account for up to 9 percent of the annual contactless payment card shipments in 2026 according to ABI Research, which projects up to 113 million BPC units to be shipped worldwide by 2028.<sup>13</sup> Other external market reports project market share and volumes significantly higher than the ABI Research "rapid take-up" scenario, on the order of 10-20 percent market share.<sup>14</sup>

**Figure 11: 2022-2031P; Projected BPC shipments per year<sup>15</sup>**



Since 2019, an increasing number of biometric cards have been piloted and commercially launched around the world.

<sup>13</sup> Source: "Next-Generation Payment Card Technologies – Biometric and DCCV," ABI Research, 3 October 2023 (firewall).

<sup>14</sup> Source: "Biometrics for Payments; Market and Technology Analysis, Adoption Strategies and Forecasts 2021-2026 – 3rd Edition", Goode Intelligence, 30 March 2021 (behind paywall) and "Biometric payment cards could generate over US\$5bn in revenues by 2026, says UBS", Proactive Investors, 17 February 2021.

<sup>15</sup> Source: "Zwipe: Ready for Takeoff," Erik Penser Bank, 6 July 2023.

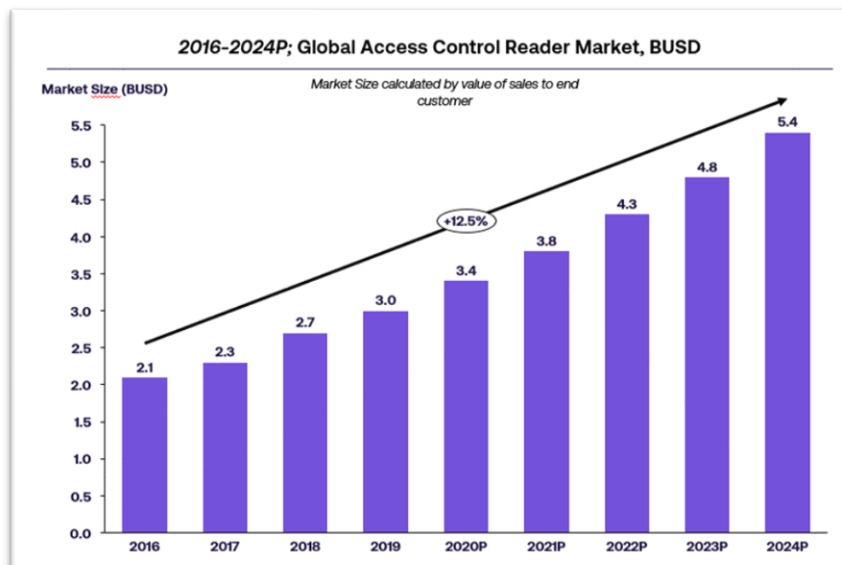
### Access control market overview and trends

In the last two decades, security awareness has increased globally, with both physical and logical access control increasingly common methods for organizations to protect their employees and the company from theft and espionage. Most public and private buildings now require some sort of access control.

Many access control systems are antiquated, and both governmental organizations and companies will need to upgrade their control systems if they want to retain a high security level. Card-based readers building on proximity or smart card technical solutions are expected to be the dominant reader types, also paving the way for mobile access solutions.

The access control market has seen substantial growth since 2016 in both value and number of smart card access control readers shipped globally, and this growth is expected to continue in the coming years. The global access control reader market was valued at USD 4.3 billion in 2022 and is expected to reach USD 5.4 billion by 2026, a CAGR growth of 12.5 percent. With an assumed price range of USD 1-2 per card, it is estimated that approximately 210-420 million smart access cards were sold in 2021.

**Figure 15: 2016 – 2024; Global Access Control Reader Market, BUSD<sup>16</sup>**



<sup>16</sup> Source: "Access Control Reader Market – Global forecast to 2024", Markets and Markets, August 2019.

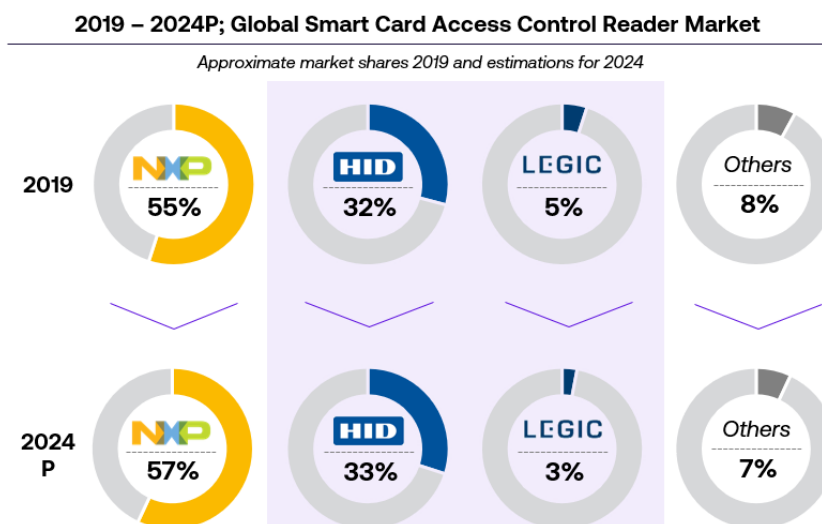
**Figure 116: 2016-2024P; Number of Smart Card Access Control Readers Shipped Globally, Thousand Units<sup>17</sup>**



**Access control market technologies**

The global smart card reader market is dominated by technology and protocols from NXP and HID, expected to have global market shares of 57 percent and 34 percent, respectively, in 2024. The remaining market is shared among mid-sized players such as LEGIC and locally developed solutions. The communication protocols from NXP (Mifare) and HID (iClass) have an impact on both the overall solution and the design of the components and sub-systems.

**Figure 17: 2019 – 2024P; Global Smart Card Access Control Reader Market 2019<sup>18</sup>**



**International card scheme and EMV regulatory framework**

There is no public regulation of the Group's business. However, in the payment market, the Group's customers' products are subject to strict requirements related to certification of

<sup>17</sup> Source: "Access Control Reader Market – Global forecast to 2024", Markets and Markets, August 2019.

<sup>18</sup> Source: "Access Control Reader Market – Global forecast to 2024", Markets and Markets, August 2019.

products for use under various Payment Scheme brands like Visa, MasterCard, American Express and others. At present, the two Payment Schemes that are relevant for the Group with regard to certification of the Zwipe Pay product line are VISA and MasterCard.

Strictly speaking, the Group does not need to certify its products and it is the Group's SCM customers that must certify biometric payment cards with the Payment Schemes. However, not certifying the Zwipe Pay platform would result in the risk of customers not adopting the Group's solution, due to the risk of them not achieving their own certification. Thus, while the Group has no legal obligation to certify the Zwipe Pay platform, it has done so to ease and shorten the certification process for SCMs.

There is no certification requirement for Zwipe Access.

The Group obtained LoA for Zwipe Pay from Visa in March 2022 and Component Conformity Statement (CCS) from Mastercard in August 2022 for Zwipe Pay. Several lead customers of the Group followed suit and obtained LoA and other certifications to enable mass deployment of biometric payment cards based on Zwipe Pay.

The certification reference of the Group and its suppliers include the following entities:

- secure element
- card operating system and payment applets
- system design and security architecture
- algorithm and its biometric performance in combination with the sensor used
- card inlay and its energy harvesting performance under standardized ISO conditions
- finished reference card passing durability tests like i.e. torsion and bending

The Group also passed all the necessary card quality and card durability requirements.

The Group works continually with third-party certification test laboratories, recognized in the industry and accredited by the Payment Schemes, to provide objective auditing of Zwipe Core Technology in reference to the specific requirements set by the Payment Schemes to prove certification requirement compliance.

Going forward, the Group plans to continue to pursue certifications as needed based on enhancements to the Zwipe Pay platform. Certification of both the SCMs and biometric payment cards built on Zwipe Pay technology is a seamless and streamlined process. Beyond the certification references provided by the Group, customers benefit from the experience and support of the dedicated team that the Group set aside to accompany customers on their individual journey to certification.

### **Trends**

The overall adoption of biometric payment cards ("BPCs") has been slower than anticipated. The slower-than-anticipated market adoption of BPCs has impacted not only Zwipe, but also Zwipe's partners and competitors. The Company is not aware of any other recent trends in production, sales and inventory, and costs and selling prices that are significant to the Group in the period between 30 June 2023 and to the date of this Prospectus. Further, the Company is not aware of any other known trends, uncertainties, demands, commitments or

events that are reasonably likely to have a material effect on the Group's prospects for the financial year 2023.

### **Financing of the business**

Zwipe AS plans to primarily finance the business through existing cash flow and loans and, if necessary, equity capital in the form of new issues. The Group does not buy or issue financial instruments other than Shares, warrants and subscription rights as resolved or authorised by the General Meeting. The Group is funded by equity.

The Group's subsidiaries have been funded by equity and through advances by the Company covering its subsidiaries working capital needs. The Group's operating cost base is mainly in NOK, USD or EUR. The revenue and COGS are in USD. Once the Group has achieved a business with recurring, predictable revenue streams, currency hedging will be considered. Until that point, current currency risk is deemed fairly moderate.

### **Significant changes in the Company's loan and financing structure since 30 June 2023 until the date of the Prospectus**

No significant changes in the Company's loan and financing structure have taken place since 30 June 2023.

### **Significant investments**

Since 30 June 2023 until the date of the Prospectus, Zwipe AS has not made any investments deemed to be of a material nature.

As of the date of the Prospectus, there are no material ongoing investments where fixed commitments from Zwipe AS has already been made.

### **Legal structure of the Group**

The Company is the parent company of the Group, owning directly, 100 percent of the subsidiaries set out below:

<b>Company name</b>	<b>Domicile</b>	<b>Activity</b>	<b>Ownership interest</b>
Zwipe America Inc.	USA	Operational company	100%
Zwipe Germany GmbH	Germany	Operational company	100%
Zwipe UK Ltd.	UK	Operational company	100%
Zwipe Singapore Pte. Ltd	Singapore	Operational company	100%
Zwipe Sweden AB	Sweden	Operational company	100%



## Glossary and definitions

BPC .....	Biometric payment card
Biometric payment card .....	payment card with a fully embedded fingerprint sensor and on-card biometric comparison system enabling biometric user authentication as an alternative to PIN or signature
Biometric payment card value chain .....	Zwipe sources components such as secure element and fingerprint sensors from upstream partners. Zwipe integrates these components alongside its' proprietary technology platform, which it sells to downstream customers who are the Card manufacturers. The Card manufacturers integrate the Zwipe technology platform into a finished BSoC, and personalize these cards with payment application profiles and cardholder details before selling the payment cards to the Issuers who issue the cards to consumers
BSoC .....	Biometric System-on-Card; a system architecture of a smart card comprising a biometric capture device, signal processing, feature extraction, storage of biometric reference data, and comparison (= matching) between biometric reference data and biometric probe data
CCS .....	Component Conformity Statement
COGS .....	Cost of Goods Sold
Contactless card .....	A contactless smart card with embedded antenna enabling near field communication with a contactless interfacing device such as, e.g. a payment terminal
Contactless payment .....	Transaction that uses near field communication between a payment device like a contactless card and a contactless payment terminal to make secure payments. The embedded chip and antenna onto the payment card (or similar portable device) enable consumers to wave their card over the point-of-sale terminal to perform a transaction
EMV .....	A payment method based upon a technical standard for smart payment cards and for payment terminals and automated teller machines that can accept them. EMV stands for Europay, Mastercard and Visa, the three institutions that created said standard.
Enrolment solution .....	Solution allowing the initial fingerprint data to be registered to a biometric system such as, e.g. a BSoC
EPO .....	European Patent Office

GDPR .....	General Data Protection Regulation
Idemia .....	Idemia France SAS
Inlay .....	Electronic circuit making up the antenna and interconnections in a smart card. The inlay is planarized into a pre laminate before lamination into a card body
IP .....	Intellectual Property
IPR .....	Intellectual property rights
ISO .....	International Organization for Standardization
POS .....	Point of sale
Po1 .....	Zwipe's EPO patent for the method of manufacturing an electronic card
Payment card .....	Smart cards enabled to execute payments on behalf of the cardholder. The cards are issued by Issuers to customers, enabling the cardholder to access the funds in the cardholder's designated account and authorize payments.
Payment card industry .....	Refers to the industries related to automated teller machines (ATMs), point of sale terminals, credit, debit, prepaid and electronic money cards, and other associated industries.
Payment card manufacturer .....	Payment Scheme certified card manufacturer
Payment ecosystem .....	A system enabling payment transactions, comprising Payment Schemes, component suppliers, Card manufacturer, issuers, merchants, payment transaction acquirers, Regulators and Governments and consumers
Payment Scheme .....	A body that sets the rules and technical standards for the execution of payment transactions using the underlying payment systems. Such as Visa, Mastercard etc.
PCT .....	Patent Cooperation Treaty of 19 June 1970
PIN .....	Personal identification number
Power harvesting .....	Cordless collection of power from the point-of-sale terminal to the payment card

R&D .....	Research and development
RFID .....	Radio-Frequency Identification uses electromagnetic fields to automatically identify, and track tags attached to objects
SCMs .....	Smart Card Manufacturers
Smart Card Manufacturers .....	Manufacturers of smart cards like payment cards and access cards. The card manufacturer integrates and laminates the Zwipe BSoC platform into a finished card. Payment cards are personalized by the card manufacturer or a dedicated personalization bureau and sold to an issuer.
Zwipe .....	The Group
Zwipe Access .....	A card used as a credential in access control systems to authenticate a person's identity, determine the appropriate level of access, and provide access to the physical resource or logical asset
Zwipe Core Technology .....	Differentiating technologies specifically fit for constrained environments like ultra-thin and ultra-low power environments. Zwipe core technology comprises packaging solutions, energy harvesting and power management systems, enrolment solutions, all designed for ultra-thin and ultra-low power high performance embedded applications and biometric and payment system integrations
Zwipe expertise .....	Integration, design and manufacturing expertise for both payment and access control applications, combined with an understanding of customers' needs for card manufacturing, enrolment and deployment
Zwipe Pay .....	Technology platform and commercial product for biometric payment cards; Zwipe Pay comprises a secure element delivered in an ISO plate package, a fingerprint sensor available on a 35mm tape and an inlay for manufacturing a BSoC plus enrolment solutions.
Zwipe Technology .....	The Zwipe Technology consists of the dedicated package components and passive inlay and various patents, hereunder energy harvesting patents, both issued and applied for, as well as other IP rights and associated technologies and manufacturing methods.
Zwipe Technology Platform .....	A technology and solutions platform combining Zwipe's Expertise and know-how with Zwipe Core Technology and IP

## WORKING CAPITAL STATEMENT

For the purposes of the Prospectus, “working capital” means the ability of the Company to access cash in order to meet its payment obligations, after which they fall due for payment. The Company is of the opinion that the existing working capital is not sufficient to meet its current needs for the next twelve-month period, from the date of the Prospectus. As of 30 September 2023, the Company’s cash equivalents amounted to NOK 48.3 million. The available working capital at the time of the Prospectus is estimated to cover the Company's capital needs until and including April 2024. Taking into account estimated cash flows, the Company has a working capital deficit of up to NOK 19 million for the next twelve-month period.

Upon full subscription of the offering, the Company will raise approximately NOK 35,048,239.20 before transaction costs, which are estimated to be approximately NOK 7.1 million. If all the maximum number of warrants of series TO1 issued in the Rights Issue are exercised, the Company will receive another NOK 2,920,686,60 before transaction costs if the exercise price at a minimum corresponds to the minimum exercise price (the quota value of the Company's share) and NOK 35,048,239.20 if the exercise price corresponds to the maximum exercise price (NOK 1.20). In connection with the offering the Company has received subscription undertakings and bottom guarantee commitments of approximately NOK 24.5 million, representing 70 percent of the offering. Further, Zwiipe has received a so-called top guarantee commitment. Through the top guarantee, provided that subscription takes place to an amount at least equivalent to the subscription commitments and the bottom guarantee commitments, 100 percent of the issue proceeds in the Rights Issue is secured. However, the subscription undertakings, bottom guarantee commitments and top guarantee commitment are not secured by way of an advanced transaction, bank guarantee, escrow, pledge or similar agreement. Consequently, there is a risk that one or more parties will not fulfil their respective undertakings.

Subject to the Rights Issue being completed, the Company is of the opinion that the working capital available to the Group is sufficient for the Group's present requirements for a period covering at least 12 months from the date of this Prospectus. In the event that the subscription undertakings, bottom guarantee commitments and/or top guarantee commitments are not fulfilled, then the Rights Issue will not be sufficiently subscribed and the Company will have difficulties in operating and developing its business as planned. As a result, the Company may be forced to seek alternative financing, such as additional capital raising or debt financing, or alternatively to implement cost reductions or be forced to operate at a slower pace than anticipated until additional capital can be raised. It is not certain that the Company will be able to secure alternative financing or that cost reductions will have the desired effect. There is a risk that failure to raise financing or to take appropriate action could result in the Company being placed in receivership or, in the worst case, in bankruptcy.

## RISK FACTORS

*An investment in Zwipe AS's Shares involves different risks. This section contains descriptions of the risks and important circumstances that Zwipe AS considers material for the Company's business and future development. The risks are attributable to Zwipe AS's business, industry, and market, legal and the regulatory conditions as well as the Company's Shares. Potential investors should carefully consider the risks described below, as well as other information in this Prospectus, before investing in Zwipe AS.*

*In accordance with Regulation (EU) 2017/ 1129 of the European Parliament and of the Council (the Prospectus Regulation), the risks described by Zwipe AS in this section are limited to those risks that are specific to Zwipe AS or Zwipe AS's securities and that are material when making an informed investment decision. The descriptions in this section are based on information available as of the date of this Prospectus. The manner in which the Company is affected by each risk factor is illustrated by way of an evaluation of the materiality of the relevant risk factor, based on the relative probability of it occurring and the expected magnitude of its negative impact. For this purpose, the materiality is reported by a rating of the probability on a qualitative scale with the terms "low", "medium" or "high" and a rating of the negative impact with the terms "small", "medium" or "high".*

### **Risks related to the Group's business and the markets in which the Group operates**

*The Group is pursuing nascent markets where meaningful commercialization has not yet materialized*

The Group develops solutions for biometric authentication of transactions made by contactless payment cards ("**Zwipe Pay**"), and also develops solutions for access control ("**Zwipe Access**") based on the same core technology Zwipe uses for Zwipe Pay. As the Group offers two products, it is dependent on commercialization in both of the markets in which the products are offered.

Zwipe Pay solutions are sold to smart card manufacturers of payment cards ("**Smart Card Manufacturers**" or "**SCMs**"), who integrate them into their offerings and subsequently sell the cards to banks as issuers of those payment cards ("**Issuers**"). The Group, the SCMs and the Issuers are all endeavouring to create a large market for biometric payment cards ("**BPCs**"), and the Group targets a significant share of this potential market. The Group is of the view that there is significant demand for improved security and safety in contactless payments, which biometric technology can provide. Initial biometric payment card solutions have been piloted by the Group and by its competitors, and the Group announced its first commercial launches in 2023. The Group has therefore based its business plan on the expectation that the market for biometric payment cards will emerge over the next few years and thereafter grow to a significant share of the dual interface payment card market (dual interface means both NFC communication capabilities as well as EMV chip).

However, a commercial volume-market for biometric payment cards does not yet exist and Zwipe is dependent on the success of the above-mentioned players for a commercialized market to be developed in order to be successful with its business plan for Zwipe Pay. Specifically, the Group is dependent upon SCMs being able to manufacture biometric payments cards in high volume, on Issuers moving forward with commercial launches of the Zwipe Pay product, and on product acceptance by the Issuers' end customers – the

consumers or cardholders – desiring to use biometric payment cards for improved security and safety in payment transactions.

It has taken longer than originally anticipated for the market for biometric payment cards to emerge, and there is no guarantee that a commercially viable market for Zwipe Pay emerges in the future.

The first pilots for Zwipe Access were seen in 2022 with more proofs-of concept launched in 2023, but the product itself remains in a largely pre-commercialization phase. With less complex regulatory and certification requirements, the risks are somewhat lower from a regulatory perspective of establishing a commercial volume-market for Zwipe Access than for Zwipe Pay. The value chain for Zwipe Access is less complex but more fragmented than that for Zwipe Pay, which may make it difficult to establish the optimal go-to-market strategy and relevant partnerships, to achieve economies of scale. Additionally, it is uncertain whether the relevant potential customers of Zwipe Access will choose to use biometric solutions as their preferred security measure for access control.

A failure of the markets for Zwipe Pay and Zwipe Access, respectively, to materialize, to materialize more slowly than expected, or to materialize at lower volumes than expected, could each jeopardize the Group's existence. A delay in the two markets' ramp up would cause corresponding delays in the Group's ability to achieve a positive cash flow and cause the Company to require additional financing for its scale-up phase which in turn could have a material adverse effect on the Group and its business, cash flows, financial condition, prospects and/or its ability to continue as a going concern.

The Company estimates that the probability that the risks as above occur is medium. If the risks occur, the Company assesses that the expected extent of the adverse effects is high.

*The potential markets for Zwipe Pay and Zwipe Access biometric smart cards are highly competitive*

It is possible that only a limited number of the players in the biometric smart card space will be able to successfully establish a commercially viable market share if and when the markets for biometric payment cards and biometric access control cards do mature.

The emerging market of biometric payment cards is targeted by several players aiming to establish an early position in the market. The Group expects to continue to experience competition from established, current and potential competitors. Competition is expected to come from both from larger players with established revenue streams (e.g., Samsung, STMicroelectronics, and Infineon) and indirectly from SCMs pursuing in-house solutions based on own technology. Some of these competitors have advantages, such as vertical integration, product diversity, greater financial resources or economies of scale, which may adversely affect Zwipe's ability to compete on sustainable terms and/or hinder it from being able to establish a commercially viable market share.

In the global smart card reader market which is relevant for Zwipe Access, the market is dominated by technology and protocols from competitors such as NXP and HID, who are expected to have global market shares of 57 percent and 34 percent, respectively, in 2024.

The remaining market is expected to be shared among mid-sized players such as LEGIC and locally developed solutions. At present, Zwipe can only serve the smaller part of the total market of deployed readers that utilize HID SEOS and Legic Advant technology. As with the biometric payment card space, some of these competitors have advantages, such as vertical integration, product diversity, greater financial resources or economies of scale, which may adversely affect Zwipe's ability to compete on sustainable terms and/or hinder it from being able to establish a commercially viable market share.

The Group's strategy and business plan for Zwipe Pay are based on the assumption that Zwipe will maintain a leading position and secure a healthy market share in the long term. The Group has a solid track record of developing innovative solutions, with relevant Intellectual Property ("IP") and participation in several pilots. The Group's strategy and the achievement of its goals are dependent on keeping the Group's offerings relevant and competitive.

The Group's strategy and business plan for Zwipe Access are based on the assumption that there will be demand for the better security and data privacy compliance provided by biometric access control solutions in security sensitive segments such as airports and data centres. Zwipe is of the view that its access control solution offers a faster and lower cost upgrade path of existing access control solutions than with competing biometric solutions based on face, iris, or handprint recognition, but there is the risk that competing biometric or non-biometric solutions will gain a dominant position in the market for access control solutions.

Thus, there is a risk that the Group will not be able to achieve and/or sustain a commercially viable market share to support its strategy and business plan in the face of competition for both Zwipe Pay and Zwipe Access. Competing products may be launched to the market before the Group is able to establish a viable market share for its products, or competing products with alternative functionality may gain a dominant market share. There is also the possibility that the Group's products may require additional product development or improvement in manufacturing process to achieve mass commercialization, and that this occurs after competitors have already established market shares.

Further, the high degree of competition may reduce the Group's ability to obtain prices that are necessary for the Group to succeed or survive. Downward pressure on sales prices for the Group's products may have a material adverse effect on the Group.

If any of the above risks were to materialize this could have a material adverse effect on the Group and its reputation, results of operations, prospects and/or its ability to continue as a going concern.

The Company estimates that the probability that the risks as above occur is medium. If the risks occur, the Company assesses that the expected extent of the adverse effects is high.

*Alternative technology could gain market adoption and displace the Group's products*

There is also the possibility that a competing product has alternative or new functions which surpass the technology used by the Group. The Group's current technology approach to the

market for Zwipe Pay is based on providing biometric authentication capability to widely available payment vehicles (e.g., contactless payment cards) and existing, unmodified infrastructure (Point-of-Sale terminals and firmware). There is a risk that alternative approaches to secure payment or the introduction of more efficient technologies could cause the Group's existing products to become less attractive to its customers or become technologically obsolete. This could occur, for example, if competing payments forms such as digital wallets, QR payments or other digital forms should become widely accepted.

The Group's current technology approach to the market for Zwipe Access is based on providing biometric authentication capability to widely available and existing, unmodified infrastructure in the form of contactless access readers. There is a risk that alternative approaches to access control or the introduction of more efficient technologies could cause the Group's existing products to become less attractive to its customers or become technologically obsolete. This could occur, for example, if competing access control systems should become widely accepted.

If the Group encounters material trend- or technology changes which render its technology unattractive, or if it fails to keep up with technological changes and expectations in the market, there is a risk that the Group will be unable to sell its products at prices generating a sustainable margin, or that the Group's products may become altogether unsellable which in turn could have a material adverse effect on the Group and/or its reputation, business, results of operations, cash flows, prospects and/or its ability to continue as a going concern.

The Company estimates that the probability that the risks as above occur is medium. If the risks occur, the Company assesses that the expected extent of the adverse effects is high.

*Commercialization of Zwipe Pay is dependent on maintenance of its own certifications from Payment Schemes as well as customers obtaining certifications*

The Group develops biometric authentication technology which is integrated in the Smart Card Manufacturers' offerings. The Smart Card Manufacturer must be certified by payment schemes such as VISA, MasterCard etc. ("**Payment Schemes**") and the Smart Card Manufacturer's product must attain certification approval by such Payment Schemes prior to large scale commercial deployment. The Payment Schemes issue a so-called Letter of Approval ("**LoA**") to the Smart Card Manufacturers prior to use in commercial high-volume deployments.

In order to ease and shorten the certification process for the SCMs, Zwipe has chosen to certify the Zwipe Pay product. This entails that Zwipe takes responsibility for obtaining the necessary certification references from partnering suppliers.

Zwipe received its Letter of Approval ("**LoA**") from VISA in March 2022, and its Component Conformity Statement ("**CCS**") from Mastercard for the Zwipe Pay solution in August 2022. These LoA and CCS certificates enable Zwipe's customers, the Smart Card Manufacturers, to leverage the Zwipe Pay platform's approvals from Visa and Mastercard for their own certification of biometric payment cards built on the Zwipe Pay solution. Issued certifications to SCMs normally have a duration of three years from issuance (renewable up to six years) for Mastercard, and typically a duration of nine years on the field for VISA.



The technology and the specifications from companies such as Mastercard and VISA for biometric payment cards may evolve over time. If the Payment Schemes develop new versions of their specification for inclusion into biometric payment cards, the SCMs will need to have a new LoA for issuance by the Issuers of a new card product based on such new specifications. The same applies for Zwipec Pay needing to receive a new LoA for a new platform implementing the latest specification. It is, however, noted that the previously issued LoAs remain in force, and SCMs may thus also choose to base and keep their products on the already received LoA for the validity period of the said LoA.

There is a risk that the Group's technology in combination with the SCMs' dual interface payment cards will not be in compliance with, or will need further development to comply with, any new certification requirements from the Payment Schemes.

Inability to meet the requirements for certification or delays over an extended period of time causing corresponding delays in the Group's ability to establish sales and generate cash could have a material adverse effect on the Group and/or its business, results of operations, cash flows, prospects and/or its ability to continue as a going concern.

Zwipec Access is not subject to the same risk related to certification as Zwipec Pay, since the supply of access cards to the market does not require any certification.

The Company estimates that the probability that the risks as above occur is low. If the risks occur, the Company assesses that the expected extent of the adverse effects is high.

*The Group is subject to supply chain risks*

The Group's products are technically complex and require manufacturing in high volumes to achieve the desired profitability for the Group. Consequently, manufacturing is set up with experienced high-volume manufacturing partners that are specialized components providers. The manufacturing arrangements are currently set up through third-party contract manufacturing agreements. Contract manufacturing partly takes place in South-East Asia, geographically far removed from the majority of the Group's employees, and partly in Europe. Since the production takes place in different geographical locations, the need to coordinate the various suppliers and partners creates logistical challenges that incurs risks.

If the Group fails to manage the relationships with its manufacturing partners or if the manufacturing partners experience delays, disruptions, capacity constraints, quality problems or any other issues impacting their ability to operate, or if the Group experiences other supply chain disruptions, the timeliness of shipping products to the Group's customers may be impacted. The risk is particularly high in the case where the Group is dependent on one single supplier and its components, as the Group in such case does not have the advantage of dual sourcing.

Further, there is a risk that global market conditions may cause other disruptions to the Group's supply chain. Recent general and world-wide supply chain disruptions may also lead to the Group's suppliers charging higher prices for its products and services, resulting in

increased costs for the Group. Such supply chain disruptions could be one among other reasons for the Group's suppliers charging higher prices for their products and services than what the Group has previously paid and budgeted for. Any situation leading to termination or renegotiation of supplier or partner agreements could cause cost increases or production delays.

The Group has also entered into commercial agreements with suppliers, partners, licensors etc. with different duration terms and there is a risk that the Group is not able to extend the duration or termination date of such agreements. Failure by key suppliers and partners to continue to serve the Group with competitive products due to reasons such as product deficiencies, supply constraints, or financial constraints or failure by such suppliers and partners to renew agreements at commercially viable terms could result in the Group not being able to provide solutions to its customers.

If any of the above risks were to materialize, this could have a material adverse effect on the Group and/or its reputation, business, results of operations, cash flows, financial condition and/or its ability to continue as a going concern.

The Company estimates that the probability that the risks as above occur is low. If the risks occur, the Company assesses that the expected extent of the adverse effects is high.

*The Group may be unable to retain or replace key employees and executives and secure a sufficient number of qualified employees*

The Group is dependent upon certain of its key employees who have developed valuable know-how and expertise related to the particular core technology used in the Group's main products, Zwipe Pay and Zwipe Access. This includes inter alia engineers, software developers, etc. The Group's assets include a wide range of intellectual property rights, and these IP rights are created by the Group's employees.

In addition, the members of the senior management of the Group have extensive experience and knowledge of the industry in which the Group operates. The retention of senior management is important in the Group's business due to the limited availability of experienced and talented executives within the markets and industry in which the Group operates.

Due to the intense competition for talent in the industry, inadequate personnel planning and development (e.g., professional training with respect to new technologies, markets or customer requirements), the Group may be unable to find or retain suitable and qualified employees. At the same time, the Group may lose candidates, key employees or executives to competitors.

If the Group were to lose its key employees and executives, and are unable to employ suitable replacements in a timely manner, or if the Group is unable to retain or replace enough qualified employees, this could have a material adverse effect on the Group's market position and prospects, which in turn could have a material adverse effect on the Group and/or its reputation, business, results of operations, prospects and/or its ability to continue as a going concern.

The Company estimates that the probability that the risks as above occur is medium. If the risks occur, the Company assesses that the expected extent of the adverse effects is medium.

*The Group is subject to risks related to technology and IP rights*

The Group depends on both its proprietary technology IP and third-party licensed technology to differentiate its products and achieve commercial success. Protection of IP rights is of particular importance to the Group.

Despite the Group's efforts to protect its proprietary technology, trade secrets and IP, unauthorized parties may attempt to misappropriate, reverse engineer or otherwise obtain and use them. The Group may be unable to determine the extent of any unauthorized use or infringement of their products, technologies or IP rights. Further, there are inherent risks related to sharing technology in order to have third parties integrate their components with the Group's while the same third parties are simultaneously building a competitive product.

There is a risk that the Group may be unable to assert its right to IP in cases where the infringer is located in jurisdictions not respecting such rights, or in cases where it is prohibitively costly to take steps to enforce the Group's IP. A permanent infringement of the Group's IP could cause the Group to lose material parts or all of its sales volumes to certain geographies or customers.

The failure or inability to appropriately protect and enforce the Group's IP could have a material adverse effect on the Group and/or its reputation, business, results of operations, cash flows, financial condition, prospects and/or its ability to continue as a going concern, which may cause a decline in the value and trading price of the Shares, resulting in a loss of all or part of an investment in the subscription rights and/or the Shares.

Furthermore, the Group is dependent on the validity and continued use of technology, including IP, owned or licensed by third parties such as Idemia France SAS ("**Idemia**"), HID and Legic. If IP ownership is challenged against any of the Group's third-party licensors this may expose the Group to a risk of losing the right to license such technology. The failure or inability to license such technology could have a material adverse effect on the Group and/or its reputation, business, prospects and/or its ability to continue as a going concern.

The Company estimates that the probability that the risks as above occur is low. If the risks occur, the Company assesses that the expected extent of the adverse effects is high.

*The Group may be adversely affected by global economic market conditions*

The Group is exposed to negative changes in market conditions and the general global economy. Global central banks fighting rising inflation with higher interest rates has already seen a period of economic downturn. The tech sector has been hit by the economic downturn, even if the market for smart cards in which the Group operates has so far not been significantly affected. There is a risk that there could be a period of more prolonged, significant downturn and uncertainty in the world economy than the current cyclical downturn, and a concomitant outsized negative effect on the banking sector in particular. If the banking sector experienced an outsized decline similar to the one witnessed during

the 2007-2009 financial crisis, it is likely that Issuers would be less likely to move forward with new products such as biometric payment cards. A prolonged downturn in the global economy and specifically one with an outsized negative effect on the banking sector could have a serious impact on the Group's future revenues and operations. If such risks were to materialize, this could have a material adverse effect on the Group and/or its business, results of operations, cash flows, financial condition, prospects and/or its ability to continue as a going concern.

The Company estimates that the probability that the risks as above occur is low. If the risks occur, the Company assesses that the expected extent of the adverse effects is low.

### **Risks related to the Group's financial situation**

*The Group has not yet established stable and substantial income, and the amount of required additional capital is uncertain*

As stated above, the Group is dependent on market acceptance of its biometric products and successful establishment of a commercially viable market share for Zwipe Pay and Zwipe Access solutions to generate positive business results. The markets in which Zwipe operates have not yet materialized, and consequently, the Group has not established positive cash flows. Subject to the Rights Issue being completed, if the Group is unable to or considers it unlikely that it will generate stable and predictable positive cash flows on a date falling later than 12 months following the date of this Prospectus, the Group may be required to raise additional capital through new equity financing in order to meet its financial obligations when they fall due. If the Group's funding should be insufficient at any time in the future, the Group may be unable to fund the development of its products or its operations. Uncertainty around the Group's possible future funding requirements could have a material adverse effect on the Group and/or its reputation, business, results of operations, cash flows, financial condition, prospects and/or its ability to continue as a going concern, which may cause a decline in the value and trading price of the Shares, resulting in a loss of all or part of an investment in the subscription rights and/or the Shares.

There is also a risk that adequate sources of capital funding may not be available, or may not be available on favourable terms, when needed. The Group's ability to obtain such additional capital or financing will depend upon prevailing market conditions as well as conditions of its business and its operating results, and those factors may affect its efforts to arrange additional financing on satisfactory terms. If the Group is unsuccessful in raising capital funding when needed in the future or if such capital is only available on terms that are detrimental to the Group, this could have a material adverse effect on the Group and/or its reputation, cash flows, financial condition, prospects and/or its ability to continue as a going concern.

The Company estimates that the probability that the risks as above occur is high. If the risks occur, the Company assesses that the expected extent of the adverse effects is high.

*The Group is exposed to exchange rate fluctuations*

As a consequence of its international operations, including operations in Sweden, Germany, Singapore, the U.K. and the U.S., administration in Norway, sales in Europe, North and

South America, the Middle East and Africa, and Asia the Group is exposed to exchange rate fluctuations. This includes when operating revenues and operating costs are denominated in different currencies. Furthermore, the Company has net receivables on its foreign subsidiaries in different currencies. With different functional currencies, the Group will be exposed to currency gains and losses on debt and receivables between the companies, which will affect its reported profit or loss. The Group has not, but may in the future enter into hedging agreements, but there can be no assurance that such arrangements will fully, or at all, protect the Group from exchange rate risk (in particular in the long term) or that the Group will be able to enter into such hedging arrangements on commercially reasonable terms. Exchange rate fluctuations could have a material adverse effect on the Group and/or its results of operations, cash flows and/or financial condition.

The Company estimates that the probability that the risks as above occur is low. If the risks occur, the Company assesses that the expected extent of the adverse effects is low.

### **Risks related to laws, regulation and litigation**

#### *The Group's operations are subject to the risks of litigation*

At any given time, the Group could get involved in litigation and other legal and regulatory proceedings, including with tax authorities, arising in the ordinary course of business or otherwise. Such proceedings may include claims related to commercial, labour/employment, export control and sanctions violations, securities, tax, or other matters and may result in significant damages and/or fines for the Group.

The technology used in Zwipe Pay and Zwipe Access utilize patented or otherwise proprietary technology owned by the Group and its suppliers, and consequently involve a potential risk of infringement of third-party rights. It is not uncommon for industry participants to pursue legal actions to protect their intellectual property. The Group is, for instance, currently involved in a dispute regarding its Po1 patent. The Group is not aware of any other patents that create a material risk of the Group infringing third-party rights. However, there can be no assurance that other industry participants will not pursue legal action against the Group or its suppliers to protect their intellectual property that the Group may at least allegedly utilize in Zwipe Pay and Zwipe Access, for example, if Zwipe should be a successful player in the market. Any such legal actions could result in limitations on the Group's ability to use such intellectual property or require the Group to pay a fee (e.g., royalties) for the continued use of such intellectual property.

If the Group becomes a party to any legal disputes or regulatory proceedings, this could have a material adverse effect on the Group and/or its brand, reputation, business, cash flows, prospects and/or its ability to continue as a going concern.

The Company estimates that the probability that the risks as above occur is low. If the risks occur, the Company assesses that the expected extent of the adverse effects is low.

*The Group is exposed to risks relating to data protection and data privacy regulations, licenses, etc.*

The Group receives, stores and processes personal information and other user data of its employees, the personnel of the Group's suppliers and the Group's customers, through its business and operations in multiple jurisdictions. The Group also uses third-party IT service providers that may process and transfer personal data relating to the Group's operations. This makes the Group exposed to data protection and data privacy laws and regulations ("**Data Protection Laws**") it must comply with, the main regulations being the General Data Protection Regulation ("**GDPR**"), the Norwegian Data Protection Act of 15 June 2018 No. 38 and US privacy acts such as the California Consumer Privacy Act of 2018. Although the Group has adopted measures to ensure compliance with Data Protection Laws, such measures may not always be adequate. Since the Group conducts operations outside the EU/EEA, the Group is exposed to the risk of non-compliance with the requirements for international data transfers under the GDPR. Further, the Group may have limited ability to control whether its third-party IT service providers are fully compliant with GDPR with respect to its processing and transfer of personal data relating to the Group. Any non-compliance by the Group, or by its third-party service providers, with respect to the GDPR or other Data Protection Laws could lead to administrative fines being imposed on the Group, governmental enforcement actions, litigation and/or public statements against the Group, and could also cause customers to lose their trust in the Group, any of which could have a material adverse effect on the Group and/or its reputation and/or business.

The Company estimates that the probability that the risks as above occur is low. If the risks occur, the Company assesses that the expected extent of the adverse effects is low.

### **Risks relating to the Shares and the Rights Issue**

*If the Rights Issue is withdrawn, all subscription rights will lapse without value resulting in the investors not receiving any refund or compensation for subscription rights purchased in the market*

If the Rights Issue is withdrawn all subscription rights will lapse without value. Any subscriptions for, and allocations of, Units that have been made will be disregarded and any payments for Units made will be returned to the subscribers without interest or any other compensation. The lapsing of subscription rights will be without prejudice to the validity of any trades in subscription rights, and investors will not receive any refund or compensation in respect of subscription rights purchased in the market.

The Company estimates that the probability that the risks as above occur is low. If the risks occur, the Company assesses that the expected extent of the adverse effects is low.

*Existing shareholders who do not participate in the Rights Issue may experience a significant dilution of their shareholding*

Subscription rights that are not sold before close of trading on Euronext Growth Oslo (at 16:30 hours CET) and on Nasdaq First North Growth Market (at 17:30 hours CET), respectively, on 7 December 2023 or exercised by the end of the subscription period will have no value and will automatically lapse without compensation to the holder. To the extent that an existing shareholder does not sell its subscription rights before close of

trading on 7 December 2023 or exercise its subscription rights prior to the expiry of the subscription period, whether by choice or due to a failure to comply with the procedures in the rights issue or to the extent that an existing shareholder is not permitted to subscribe for Units such existing shareholder's proportionate ownership and voting interests in the Company after the completion of the Rights Issue will be diluted. Even if an existing shareholder chooses to sell its unexercised subscription rights, or such subscription rights are sold on its behalf, the consideration it receives in the trading market for the subscription rights may not reflect the immediate dilution in its shareholding resulting from the completion of the Rights Issue.

The Company estimates that the probability that the risks as above occur is high. If the risks occur, the Company assesses that the expected extent of the adverse effects is low.

*It cannot be guaranteed that participation in the Rights Issue will not result in loss of investment due to fluctuations in the trading price for the Shares*

A subscription of Units in the Rights Issue will be binding and irrevocable, and cannot be withdrawn, cancelled, or modified by the subscriber after having been received. The trading price for the Shares has fluctuated significantly in the past. Upon the Shares' listing on Merkur Market (now named Euronext Growth Oslo) on 28 January 2019 the trading price of the Shares was NOK 18.6, and the trading price fluctuated in a range between NOK 2.4 and NOK 32 between January 2019 and the most recent rights issue in March 2023. Upon the rights issue in March 2023, the trading price was NOK 4.8, and the share has traded as low as NOK 1.8 in the period from that rights issue to date. The Subscription Price in the Rights Issue is NOK 0.60. As such, there has been significant fluctuations in the trading price for the Shares during a relatively short period of time. The Units will not be delivered to the investors immediately following subscription, meaning that there is a risk that the Shares in the period from the investor's subscription of Units until delivery of the Units may trade below the Subscription Price in the Rights Issue due to inter alia volatility in the Norwegian and global equity capital markets. If the Shares trade below the Subscription Price, this will result in a loss of investment in the Units for the investor irrevocably committing to subscribe for the Units.

The Company estimates that the probability that the risks as above occur is medium. If the risks occur, the Company assesses that the expected extent of the adverse effects is medium.

*Risks related to subscription undertakings and guarantee commitments*

Some existing shareholders have undertaken to subscribe for Units corresponding to approximately 25 percent of the Rights Issue, which corresponds to approximately NOK 8.8 million. No compensation will be paid for subscription undertakings. In addition to subscription undertakings, some external guarantors have made bottom guarantee commitments on customary terms for subscribing for shares of a total of approximately NOK 15.8 million, corresponding to approximately 45 percent of the Rights Issue. A guarantee commission of thirteen (13) percent of the guaranteed amount will be paid to the bottom guarantors.

The subscription undertakings and guarantee commitments are not secured by bank guarantee, blocked funds, pledges, or the like, which means there is a risk that the

subscription undertakings and/or guarantee commitments, in whole or in part, will not be fulfilled. If the aforementioned subscription undertakings or guarantee commitments are not fulfilled, it could have a significant negative effect on Zwipe's opportunities to successfully carry out the Rights Issue

The Company estimates that the probability that the risks as above occur is medium. If the risks occur, the Company assesses that the expected extent of the adverse effects is medium.

*The Shares are listed on Euronext Growth Oslo in Norway and on Nasdaq First North Growth Market in Sweden*

The Shares are listed on Euronext Growth Oslo in Norway and on Nasdaq First North Growth Market in Sweden. Euronext Growth Oslo is a multilateral trading facility, operated by the Oslo Stock Exchange. The Nasdaq First North Growth Market is a registered SME Growth Market, operated by an exchange within the Nasdaq group of companies. These markets do not have the same legal status as regulated markets. Instead, they are subject to a less extensive set of rules and regulations adjusted to small growth companies. Generally, an investment in a company traded on these markets involves more risk than an investment in a company traded on a regulated market. This risk relates to inter alia the market rules and relevant securities legislation which the issuers are subject to, the supervision of the marketplaces, and to the volatility of the trading on the marketplaces.

The Company estimates that the probability that the risks as above occur is low. If the risks occur, the Company assesses that the expected extent of the adverse effects is low.

*Potential future dilution due to exercise of share options or future equity issues*

As at the date of this Prospectus, the Company has issued a total of 489,573 share options and 913,165 Restricted Stock Units (“RSUs”) to employees of the Group, including members of management and board members. If all these share options are exercised and/or converted into Shares, this will lead to a dilution of approximately 2 percent on the basis of the Company's number of issued Shares immediately following the Rights Issue. If the Company has to raise additional funds by issuing additional Shares or other equity or equity-linked securities in the future, the possibility, it may result in a dilution of the holdings of existing shareholders. The level of dilution in such case will inter alia depend on the transaction structure of such equity offering.

The Company estimates that the probability that the risks as above occur is low. If the risks occur, the Company assesses that the expected extent of the adverse effects is low.



## TERMS OF THE SECURITIES

### General

The Company is a private limited liability company based in Norway and the existing Shares are, and the new Shares issued in the Rights issue will upon issuance be, registered in book-entry form with VPS and Euroclear with the same international securities identification number ("ISIN") as the existing Shares i.e., NO0010721277. Thus, no physical share certificates are issued. The Company's Shares are denominated in NOK, are issued to the holder and issued pursuant to the laws of Norway. All of the Company's Shares are fully paid, freely transferable and of the same share class. The Company's share capital is, as of the date of the Prospectus, NOK 5,841,373.20 and the number of Shares is 58,413,732. Each share has a quota value of NOK 0.10.

### Certain rights associated with the Shares

The rights associated with the Shares issued by the Company, including the rights in accordance with the articles of association, may only be amended in accordance with the procedure set out in the Norwegian Private Limited Liability Companies Act.

#### *Voting rights*

Each Share entitles to one vote at general meetings and each shareholder is entitled to a number of votes corresponding to the holder's number of Shares in the Company.

#### *Pre-emption right to new Shares*

If the Company issues new Shares, warrants or convertible debentures in the event of a cash issue or set-off issue, the shareholders generally have a preferential right under the Norwegian Private Limited Liability Companies Act to subscribe for such securities in relation to the number of Shares held before the issue.

#### *Distribution of profits and holding on liquidation*

All Shares in the Company give equal rights to dividends as well as to the Company's assets and any surpluses in the event of liquidation. Decisions on dividends in limited companies are made by the shareholders meeting. The right to a dividend accrues to the person who on the record date decided by the shareholders meeting is registered as a holder of Shares in the share register kept by Euroclear. Dividends are normally paid to shareholders as a cash amount per share through Euroclear, but payment can also be made in other than cash (dividends). If the shareholders cannot be reached through Euroclear, the shareholder's claim on the Company regarding the dividend amount remains for a period limited by rules on ten-year limitation.

### Takeover bids

The Swedish Corporate Governance Board (Sw. *Kollegiet för svensk bolagsstyrning*) has issued rules regarding public takeover offers applicable when someone makes a public takeover offer to holders of Shares issued by an issuer which are traded on a Swedish multilateral trading facility, such as Nasdaq First North Growth Market (the "**Nasdaq Takeover Rules**"). Since the Company's Shares are traded on a multilateral trading facility, and not on a regulated market, the Swedish Takeover Act (Sw. *lag (2006:451) om offentliga uppköpserbjudanden på aktiemarknaden*) is not applicable.

The Nasdaq Takeover Rules stipulate that, if the board of directors or the managing director (if applicable) of the Company, based on information origination from a party who intends to launch a takeover bid in respect of the Shares in the Company, has a well-founded reason to believe that such a bid is imminent or that such a bid has been launched, the Company shall only be entitled to take measures which are intended to impair the conditions for the launching or implementation of the takeover bid only following a resolution adopted by the general meeting. The Company is however allowed to seek alternative bids.

Furthermore, issuers whose financial instruments are traded on Nasdaq First North Growth Market in Sweden must comply with generally acceptable behaviour in the Swedish Securities market (Sw. *God sed på aktiemarknaden*). Generally acceptable behaviour is defined as the standard practice in the stock market for the behaviour of listed companies. Such standard practice could, for example, be expressed in the comments issued by the Swedish Securities Council (Sw. *Aktiemarknadsnämnden*) and recommendations from the Swedish Financial Reporting Board (Sw. *Rådet för finansiell rapportering*) and the Swedish Corporate Governance Board.

The Company's Shares are not subject to any offers made because of an obligation to make a bid, squeeze out or redemption obligation. There have not been any public takeover bids regarding the Company's Shares during the current or the previous financial year.

### **Central securities deposit**

Existing Shares are, and the Units will upon issuance, be registered in book-entry form with VPS and the Swedish book-entry securities system is centralized at Euroclear. Euroclear is a central securities depository and clearing organization under the Swedish Financial Instruments Account Act. (Sw. lag (1998:1479) om kontoföring av finansiella instrument) and the Swedish Securities Market Act. Euroclear maintains the register of shareholders in Swedish companies listed on Nasdaq First North Growth Market. Shares administered by Euroclear are registered in book-entry form on Securities account (VP accounts) and no share certificates are issued. Title to Shares is ensured exclusively through registration with Euroclear. All transactions and other changes to accounts are entered in the system of Euroclear through banks or other securities institutions that have been approved as account operators by Euroclear. The register maintained by Euroclear also contains information on other interests in respect of Shares, such as those of a pledgee.

The Company's registrar with the VPS is, a part of DNB Bank ASA (the "**VPS Registrar**"), with registered address at Dronning Eufemias gate 30, N-0191 Oslo, Norway, and telephone number +47 23 26 80 20.

### **Authorization to issue Shares**

At the annual general meeting on 11 May 2023, it was resolved to authorize the board of directors to, on one or more occasions, during the period until the next annual general meeting, without pre-emptive rights for shareholders, resolve on a new issue of a maximum of 2,930,388 new Shares. The authorization may be used to issue Shares to employees and other key personnel of the Company and subsidiaries in accordance with option and share schemes approved by the board of directors.

The annual general meeting on 11 May 2023, further resolved to authorize the board of directors to, on one or more occasions, during the period until the next annual general meeting, with or without pre-emptive rights for shareholders, resolve on a new issue of a maximum of 8,762,060 new Shares. The authorization may be used to issue shares to strengthen the Company's equity to the extent the Board considers this to be in the Company's best interest at the given time.

#### **New issue of Shares in connection with the offering**

The extraordinary general meeting of shareholders in the Company resolved on 22 November 2023 to carry out the Rights Issue through a new issue of a maximum of 58,413,732 Units, corresponding to 58,413,732 Shares and 58,413,732 warrants of series TO1.

The Rights Issue will entail an issuance of 58,413,732 transferable subscription rights, whereby one subscription right gives the right to subscribe for one a Unit consisting of (i) (1) new Share in the Company, each with a nominal value of NOK 0.10, and (ii) one (1) warrant of series TO1, for the Subscription Price of NOK 0.60 per Unit. Two warrants give the right to subscribe for one ordinary share in the Company in the period from and including 2 December 2024 until and including 13 December 2024. The subscription price upon exercise of the warrants shall be 70 percent of the ten-day VWAP (Volume Weighted Average Price) for the ten trading days preceding the exercise period, but never lower than NOK 0.10 and never more than NOK 1.20.

#### **Registration of the offering with the Norwegian Register of Business Enterprises**

The offering will be registered with the Norwegian Register of Business Enterprises on or about 22 December 2023.

#### **Tax matters in connection with the offering**

The tax regulation in the investor's home country and in the Company's country of registration, which is Norway, may affect the eventual return on the securities. Investors are encouraged to consult their independent advisor regarding tax consequences that may arise in connection with an investment in the Company related to the offering.

## **TERMS AND CONDITIONS OF THE OFFERING**

### **Overview of the Rights Issue**

The Rights Issue will consist of Units, consisting of Shares and warrants of series TO1. For each Share held on 24 November 2023, one (1) subscription right is obtained. One (1) subscription right entitles the holder to subscribe for one (1) Unit consisting of one (1) new Share and one (1) warrant of series TO1. The Subscription Price for one Unit is NOK 0.60, corresponding to NOK 0.60 per Share. The warrants are issued without consideration and two (2) warrants entitle the holder to subscribe for one (1) new Share at a subscription price of 70 percent of the ten-day VWAP (Volume Weighted Average Price) for the last ten trading days prior to commencement of the exercise period, but never lower than NOK 0.10 and never more than NOK 1.20.

### **Completion of the Rights Issue**

The completion of the Rights Issue is subject to the guarantee agreements remaining in full force and effect if required in order to raise the gross proceeds. If it becomes clear to the board of directors that the entire gross proceeds of the Rights Issue will not be raised, for instance due to the Company not having received the aggregate subscription amount for the Units, the Rights Issue will be withdrawn. The board of directors may choose to delay completion of the Rights Issue if part of the subscription amount is not received by the Company on time.

If the Rights Issue is withdrawn, all subscription rights will lapse without value, any subscriptions for, and allocations of, Units that have been made will be disregarded and any payments for Units made will be returned to the subscribers without interest or any other compensation. The lapsing of subscription rights will be without prejudice to the validity of any trades in subscription rights, and investors will not receive any refund or compensation in respect of subscription rights having been purchased in the market.

### **Subscription Price**

The Subscription Price in the Rights Issue is NOK 0.60 per Unit which corresponds to a subscription price of NOK 0.60 per share. The warrants are issued without consideration. No commission is applied.

For subscribers whose subscription rights are held in Euroclear, the Subscription Price has been converted to SEK based on the European Central Bank's NOK/SEK conversion rate as of 7 November 2023. The Subscription Price in SEK has accordingly been determined to SEK 0.59.

### **Subscription period**

The subscription period will commence on 28 November 2023 at 09:00 hours (CET) and end on 13 December 2023 at 16:30 hours (CET). On Nasdaq First North Growth Market, the subscription period will be one trading day shorter and will thus end on 12 December 2023 at 15:00 hours (CET).

The subscription period may not be shortened, but the board of directors may extend the subscription period and, if so required by the EU Prospectus Regulation, make public a supplement to this Prospectus.

### **Record date**

Existing shareholders who are registered in the Company's shareholder register in the VPS or in Euroclear as of the record date (24 November 2023) will receive subscription rights.

Provided that the delivery of traded Shares was made with ordinary T+2 settlement in the VPS or in Euroclear, Shares that were acquired until and including 22 November 2023 will give the right to receive subscription rights, whereas Shares that were acquired from and including 23 November 2023 will not give the right to receive subscription rights.

### **Subscription rights**

Existing shareholders will be granted tradable subscription rights giving a preferential right to subscribe for, and be allocated, Units in the Rights Issue. Each existing shareholder will be granted one (1) subscription right for each existing Share registered as held by such existing shareholder on the record date. One (1) subscription right will, subject to applicable securities laws, give the right to subscribe for, and be allocated, one (1) Unit. Subscription rights will not be issued in respect of any existing Shares held in treasury by the Company (if any).

The subscription rights will be credited to and registered on each existing shareholder's VPS or Euroclear account, as the case may be, on or about 28 November 2023 under ISIN NO0013068122 and ISIN SE0021148277, respectively. The subscription rights will be distributed free of charge to existing shareholders.

The subscription rights, including acquired subscription rights, must be used to subscribe for Units before the expiry of the subscription period (i.e. on 13 December 2023 at 16:30 hours (CET) for Euronext Growth Oslo and 12 December 2023 (at 17:30 hours CET) for Nasdaq First North Growth Market) or sold before close of trading on Euronext Growth Oslo (at 16:30 hours CET) and on Nasdaq First North Growth Market (at 17:30 hours CET), respectively, on 7 December 2023. Subscription rights that are not sold before close of trading on 7 December 2023 or not exercised before 16:30 hours (CET) on 13 December 2023 on Euronext Growth Oslo or 12 December 2023 (at 15:00 hours CET) on Nasdaq First North Growth Market, respectively, will have no value and will lapse without compensation to the holder. Holders of subscription rights (whether granted or acquired) should note that subscriptions for Units must be made in accordance with the procedures set out in this Prospectus and that the acquisition of subscription rights does not in itself constitute a subscription of Units.

Subscription rights held by (i) existing shareholders resident in jurisdictions where this Prospectus may not be distributed and/or with legislation that, according to the Company's assessment, prohibits or otherwise restricts subscription for Units or (ii) existing shareholders located in the United States not reasonably believed by the Company to be a QIB will initially be credited to such ineligible shareholders' VPS or Euroclear accounts, as the case may be. Such crediting specifically does not constitute an offer to ineligible shareholders. The Company will instruct the Manager or the VPS Registrar to, as far as

possible, withdraw the subscription rights from such ineligible shareholders' VPS or Euroclear accounts, and may sell them in the period from and including 28 November 2023 to close of trading on Euronext Growth Oslo (at 16:30 hours CET) and on Nasdaq First North Growth Market (at 17:30 hours CET), respectively, on 7 December 2023 for the account and risk of such ineligible shareholders, unless the relevant subscription rights are held through a financial intermediary.

### **Trading in the subscription rights**

The subscription rights will be tradable and listed on Euronext Growth Oslo with ticker code "ZWIPT" and on Nasdaq First North Growth Market with ticker code "Zwipe TR" from and including 09:00 hours (CET) on 28 November 2023 to close of trading on Euronext Growth Oslo (at 16:30 hours CET) and on Nasdaq First North Growth Market (at 17:30 hours CET), respectively, on 7 December 2023.

The subscription rights tradable on Nasdaq First North Growth Market with ticker code "Zwipe TR" will be traded in SEK.

### **The subscription rights will hence only be tradable during part of the subscription period.**

Persons intending to trade in subscription rights should be aware that the trading in, and exercise of, subscription rights by holders who are located in jurisdictions outside Norway and Sweden may be restricted or prohibited by applicable securities laws.

### **Subscription procedures**

Subscriptions for Units must be made in accordance with the requirements set out below in section "Subscription procedures for subscribers with a VPS account" or section "Subscription procedures for the Swedish market". For subscribers holding subscription rights through financial intermediaries see section "Financial intermediaries".

#### *Subscription procedures for subscribers with a VPS account*

Subscriptions for Units by subscribers with a VPS account must be made by submitting a correctly completed subscription form to the VPS Registrar during the subscription period, or may, for subscribers who are residents of Norway with a Norwegian personal identification number (Nw. *fødselsnummer*), be made online as further described below.

Correctly completed subscription forms must be received by the VPS Registrar at the following address or e-mail address, or in the case of online subscriptions be registered, no later than 16:30 hours (CET) on 13 December 2023:

<b>DNB Bank ASA, Registrar's Department</b>
Dronning Eufemias gate 30
P.O. Box 1600 Sentrum
N-0021 Oslo
Norway

Tel: +47 23 26 80 20
E-mail: <a href="mailto:retail@dnb.no">retail@dnb.no</a>

Subscribers who are existing shareholders and residents of Norway with a Norwegian personal identification number (Nw. *fødselsnummer*) are encouraged to subscribe for Units through the VPS online subscription system (or by following the link available at [www.zwipe.com](http://www.zwipe.com), which will redirect the subscriber to the VPS online subscription system). All online subscribers must verify that they are Norwegian residents by entering their national identity number. In addition, the VPS online subscription system is only available for individual persons and is not available for legal entities. Legal entities must thus submit a subscription form in order to subscribe for Units. Subscriptions made through the VPS online subscription system must be duly registered before the expiry of the subscription period.

Subscriptions are binding and irrevocable, and cannot be withdrawn, cancelled or modified by the subscriber after having been received by the VPS Registrar, or in the case of subscriptions through the VPS online subscription system, upon registration of the subscription. The subscriber is responsible for the correctness of the information filled into the subscription form or, in the case of subscriptions through the VPS online subscription system, the online subscription registration. By signing and submitting a subscription form, or by registration of a subscription in the VPS online subscription system, the subscribers confirm and warrant that they have read this Prospectus and are eligible to subscribe for Units under the terms set forth herein.

There is no minimum subscription amount for which subscriptions in the Rights Issue must be made. Over-subscription with subscription rights (i.e., subscription for more Units than entitled to on basis of the number of subscription rights held by the subscriber). However, there can be no assurance that Units will be allocated for such subscriptions.

Multiple subscriptions are allowed. Note, however, that two separate subscription forms submitted by the same subscriber with the same number of Units subscribed for on both subscription forms will only be counted once, unless otherwise is explicitly stated in one of the subscription forms. In the case of multiple subscriptions through the VPS online subscription system or subscriptions made both on a subscription form and through the VPS online subscription system, all subscriptions will be counted.

All subscriptions in the Rights Issue will be treated in the same manner regardless of whether the subscription is placed with the Manager or the VPS Registrar. Furthermore, all subscriptions in the Rights Issue will be treated in the same manner regardless of whether the subscription is made by delivery of a subscription form to the VPS Registrar or through the VPS online subscription system.

None of the Company, the Manager or the VPS Registrar may be held responsible for postal delays, unavailable internet lines or servers or other logistical or technical problems that may result in subscriptions not being received in time or at all by the Manager or the VPS Registrar. Subscription forms received after the end of the subscription period and/or incomplete or incorrect subscription forms and any subscription that may be unlawful may

be disregarded at the sole discretion of the Company and/or the Manager without notice to the subscriber.

#### Subscription procedures for the Swedish market

Subscriptions for Units by holders of subscription rights through Euroclear must be made pursuant to the instructions they receive from either Euroclear or the holders' bank or financial intermediary during the subscription period.

#### *Information to nominee shareholders*

Nominee shareholders registered with a bank or financial intermediary on the record day will not receive a share issue statement from Euroclear. For nominee shareholders, subscription and payment shall be made in accordance with the instructions from the bank or financial intermediary.

#### *Information to directly registered shareholders*

Shareholders who on the record date are registered in the shareholder register held by Euroclear (via the VPS) on behalf of the Company, will receive information on the subscription procedure and a special issue statement from Euroclear. The special issue statement states the number of subscription rights received by such shareholder.

A person listed in the separate list of pledges, etc., maintained in conjunction with the shareholder register in Euroclear, will be notified separately.

No separate securities advice reporting the registration of share subscriptions on shareholders' securities accounts will be sent out.

#### *Subscription and payment supported by subscription rights*

Subscription for Units by exercising subscription rights shall be made by using the special payment slip on the issue statement. Note that it may take up to three banking days for payment to reach the recipient account.

If subscription shall be made with the support of a different amount of subscription rights than the number stated on the issue statement, the special subscription form must be sent in to the Manager with simultaneous payment in cash. Any subscription form sent by post should, therefore, be posted in due time before the last day of the subscription period. Amounts of less than SEK 100 paid in too late will only be repaid on request.

Subscription through payment shall be made in accordance with the instructions given on the special notice slip. Special subscription form can be ordered from the Manager by telephone or email. Special subscription forms and payment shall be received by the Manager no later than 15:00 hours (CET) on 12 December 2023. Only one special subscription form per person or company will be recognized. In the event that more than one special subscription form is sent in, only the last one to arrive will be recognized. Incomplete or incorrectly completed special notice slips may be ignored. The subscription is binding.



Special subscription forms and the payment shall be received by the Manager no later than 15:00 hours (CET) on 12 December 2023. Only one special subscription form per person or company will be recognized. In the event that more than one special subscription form is sent in, only the last one to arrive will be recognized. Incomplete or incorrectly completed special subscription form may be ignored. The subscription is binding.

Completed special subscription forms shall be sent or handed over to:

<b>Hagberg Aneborn Fondkommission AB</b>
Jungfrugatan 35
Issue: Zwipe
114 44 Stockholm
Tel: +46 (8) 408 933 50
E-mail: info@hagberganeborn.se
Website: <a href="https://hagberganeborn.se/">https://hagberganeborn.se/</a>

The Manager will upon the expiry of the subscription period forward the special subscription forms received by it to Euroclear who, on the basis of these special subscription forms, will send one subscription form, covering all the legally and validly completed special subscription forms received by the Manager, to the VPS Registrar.

*Subscription forms for subscription of Units not supported by subscription rights*

Subscription for Units not supported by subscription rights shall be given during the same period as notice of subscription for Units supported by subscription rights, i.e., during the period from 28 November 2023 to 12 December 2023 (for the Swedish market).

The notice of interest to subscribe for Units not supported by subscription rights shall be made on "Subscription form without subscription rights" which should be completed, signed and thereafter sent or handed to the Manager at the address above together with a simultaneous payment in cash. Subscription forms can be ordered from the Manager by telephone or email, or be downloaded from the website, <https://hagberganeborn.se/>.

The subscription form and the payment for the subscription shall be received by the Manager no later than 15:00 hours (CET) on 12 December 2023. Only one subscription form per person or company will be recognized. In the event more than one subscription form is sent in, only the last one to arrive will be recognized. Incomplete or incorrectly completed subscription forms may be ignored. If the subscription is not paid according to these terms and conditions or the payment is insufficient, the subscription order may be rejected. In such a situation, the subscription paid will be refunded to the subscriber approximately three (3) local banking days from the date when the subscriptions have been accepted. No interest will be paid for such payment. The notice is binding.

Upon the expiry of the subscription period, the Manager will send one subscription form, covering all the legally and validly completed subscription forms received by the Manager, to DNB Bank ASA.

Notice of any allocation is given via a contract note sent out. The contract note is only sent to persons who have received a share allocation. If shares subscribed for without subscription rights are not allocated in the number referred to in the subscription form, the paid subscription will be refunded to the subscriber's bank account stated in connection with the subscription, approximately on 18 December 2023. No interest will be paid on such a payment.

Custody account holders with managers must apply for subscription in accordance with the instructions from each bank or securities institution respectively, see section "Financial intermediaries" for more information.

#### *Units subscribed for*

Subscription through payment is registered with Euroclear as soon as possible, which normally means up to three banking days after payment. Thereafter the subscriber's subscription rights will be converted to non-tradeable BTA (Paid Subscribed Shares) through Euroclear's system. Once the conversion of subscription rights to BTA's has been made, the BTA's are blocked on the shareholder's securities account. Once the share capital increase pertaining to the Rights Issue has been registered with the Norwegian Register of Business Enterprises, the BTA's will be converted to Shares. Warrants of series TO1 will be delivered separately at the same time.

#### *Foreign shareholders*

Shareholders through Euroclear domiciled outside Sweden who wish to participate in the Rights Issue shall send the special subscription form together with payment to the address above. Payment shall be made to Manager's bank account with Skandinaviska Enskilda Banken with the following account details:

Bank:	SEB
IBAN number:	SE3350000000052401018603
Bic code/SWIFT:	ESSESESSXXX

The Manager will upon the expiry of the subscription period send one subscription form, covering all the legally and validly completed subscription forms received by the Manager, to the VPS Registrar.

Please note that due to restrictions in the securities legislation in Russia, Belarus, Australia, Hong Kong, Japan, Canada, New Zealand, Switzerland, Singapore, South Africa and the United States of America no subscription offer is directed to shareholders or other with a registered address in any of these countries. Furthermore, no subscription offer is directed to shareholders or others with a registered address in a country, the legislation of which requires additional prospectuses, registration measures or other measures for participating in the offer than those which follow from Norwegian and Swedish law.

Shareholders with a registered address in any of these countries are encouraged to contact the Manager in order to receive the proceeds from the sale of subscription rights received, after deduction of sales expenses, to which these shareholders would otherwise have been entitled. Payment will not be affected if the net amount is less than SEK 200.

## **Financial intermediaries**

### General

All persons or entities holding Shares or subscription rights through financial intermediaries (e.g., brokers, custodians and nominees) should read this section. All questions concerning the timeliness, validity and form of instructions to a financial intermediary in relation to the exercise of subscription rights should be determined by the financial intermediary in accordance with its usual customer relations procedure or as it otherwise notifies each beneficial shareholder.

Neither the Company, the Manager, Euronext, or the VPS Registrar is liable for any action or failure to act by a financial intermediary through which Shares or subscription rights are held.

### Subscription rights

If an existing shareholder holds Shares registered through a financial intermediary on the record date, the financial intermediary will customarily give the existing shareholder details of the aggregate number of subscription rights to which it will be entitled. The relevant financial intermediary will customarily supply each existing shareholder with this information in accordance with its usual customer relations procedures. Existing shareholders holding Shares through a financial intermediary should contact the financial intermediary if they have received no information with respect to the Rights Issue.

Subject to applicable law, existing shareholders holding Shares through a financial intermediary may instruct the financial intermediary to sell some or all of their subscription rights, or to purchase additional subscription rights on their behalf.

Existing shareholders who hold their Shares through a financial intermediary and who are ineligible shareholders will not be entitled to exercise their subscription rights but may, subject to applicable law, instruct their financial intermediary to sell their subscription rights transferred to the financial intermediary. As described in section "Subscription rights", neither the Company nor the Manager will sell any subscription rights transferred to financial intermediaries.

### Terms and conditions of warrants of series TO1

Two warrants give the right to subscribe for one ordinary share in the Company in the period beginning on 2 December 2024 and ending 13 December 2024. The subscription price upon exercise of the warrants shall be 70 percent of the ten-day VWAP (Volume Weighted Average Price) for the last ten trading days prior to commencement of the exercise period, but never lower than the par value of each share (NOK 0.10) and never more than NOK 1.20.

### Subscription period and period for trading in subscription rights

The time by which notification of exercise instructions for subscription of Units must validly be given to a financial intermediary may be earlier than the expiry of the subscription period. The same applies for instructions pertaining to trading in subscription rights and the last

day of trading in such rights (which accordingly will be a deadline earlier than close of trading on Euronext Growth Oslo (at 16:30 hours CET) and on Nasdaq First North Growth Market (at 17:30 hours CET), respectively, on 7 December 2023). Such deadlines will depend on the financial intermediary. Persons or entities holding subscription rights or Shares through a financial intermediary should contact their financial intermediary if they are in any doubt with respect to deadlines.

#### Subscription

Any existing shareholder who is not an ineligible shareholder and who holds its subscription rights through a financial intermediary and wishes to exercise its subscription rights, should instruct its financial intermediary in accordance with the instructions received from such financial intermediary. The financial intermediary will be responsible for collecting exercise instructions from the existing shareholders and for informing the Manager or the VPS Registrar, respectively, of such exercise instructions.

A person or entity who has acquired subscription rights that are held through a financial intermediary should contact the relevant financial intermediary for instructions on how to exercise the subscription rights.

#### Method of payment

Holders of subscription rights through a financial intermediary should pay the Subscription Price for the Units that are allocated to it in accordance with the instructions received from the financial intermediary.

The financial intermediary must pay the Subscription Price in accordance with the instructions in the Prospectus. Payment by the financial intermediary for the Units must be made to the VPS Registrar no later than on the payment date. Accordingly, financial intermediaries may require payment to be provided to them prior to the payment date.

#### Mandatory Anti-Money Laundering Procedures

The Rights Issue is subject to applicable anti-money laundering legislation, including the Norwegian Money Laundering Act of 1 June 2018 no. 23 and the Norwegian Money Laundering Regulations of 14 September 2018 no. 1324 (collectively, the "**Anti-Money Laundering Legislation**").

Subscribers who are not registered as existing customers of the VPS Registrar must verify their identity to the VPS Registrar in accordance with the requirements of the Anti-Money Laundering Legislation, unless an exemption is available. Subscribers who have designated an existing Norwegian bank account and an existing VPS account on the subscription form are exempted, unless verification of identity is requested by the VPS Registrar. Subscribers who have not completed the required verification of identity prior to the expiry of the subscription period will not be allocated Units.

Furthermore, participation in the Rights Issue is conditional upon the subscriber holding a VPS account. The VPS account number must be stated in the subscription form. VPS accounts can be established with authorised VPS registrars, who can be Norwegian banks,

authorised securities brokers in Norway and Norwegian branches of credit institutions established within the EEA. However, non-Norwegian investors may use nominee VPS accounts registered in the name of a nominee. The nominee must be authorised by the Norwegian FSA. Establishment of a VPS account requires verification of identification to the relevant VPS registrar in accordance with the Anti-Money Laundering Legislation.

### **Allocation of the Units**

Allocation of the Units will take place on or about 15 December 2023 in accordance with the following criteria:

Units will be allocated in the Rights Issue in accordance with the following criteria:

- a) Allocation of Units shall be made according to granted or acquired transferable subscription rights which have been validly exercised during the subscription period.
- b) Units not allocated pursuant to a) above, will be allocated to subscribers who have exercised their transferable subscription rights and oversubscribed. These subscribers will be allocated additional Units based on the amount of transferable subscription rights exercised by each subscriber. To the extent that pro rata allocation is not possible, the Company will determine the allocation by drawing lots.
- c) If not all Units in the Rights Issue are allocated pursuant to a) and b) above, Units will be allocated to the guarantors who have entered into bottom guarantee commitments, on a pro-rata basis based on the amount of each guarantor's guarantee commitment as follows:
  - Formue Nord Fokus A/S, NOK 3,676,256.60, corresponding to 6,127,094 shares
  - Nowo Global Fund, NOK 4,000,000, corresponding to 6,666,667 shares
  - Myacom Investment AB, NOK 1,500,000, corresponding to 2,500,000 shares
  - Dariush Hosseinian, NOK 250,000, corresponding to 416,667 shares
  - Erik Lundin, NOK 500,000, corresponding to 833,333 shares
  - Nils Berg, NOK 800,000, corresponding to 1,333,333 shares
  - Tor Ökvist, NOK 300,000, corresponding to 500,000 shares
  - Buntel AB, NOK 1,000,000, corresponding to 1,666,667 shares
  - John Bäck, NOK 750,000, corresponding to 1,250,000 shares
  - Jens Miöen, NOK 500,000, corresponding to 833,333 shares
  - Aktiebolaget Lundgren, Nilsson & Moll, NOK 300,000, corresponding to 500,000 shares
  - PRInvest AS, NOK 600,000, corresponding to 1,000,000 shares
  - Patri Trading & Invest AS, NOK 600,000, corresponding to 1,000,000 shares.

- Silfvergruppen AB, NOK 500,000, corresponding to 833,333 shares.
- Bernhard von Ostensacken, NOK 500,000, corresponding to 833,333 shares

To the extent that pro-rata allocation is not possible, the Company will determine the allocation by drawing lots.

No fractional Units will be allocated. The Company reserves the right to round off, reject or reduce any subscription for Units not covered by subscription rights (i.e., over-subscription) and will only allocate such Units to the extent that Units are available to cover over-subscription based on subscription rights.

Allocation of fewer Units than subscribed for by a subscriber will not impact the subscriber's obligation to pay for the number of Units allocated.

The preliminary and final result of the Rights Issue is expected to be published on or about 13 December 2023 and on or about 15 December 2023, respectively, through a press release that will be available on the Company's website and by using the Oslo Stock Exchange's information system Newsweb (available at [www.newsweb.com](http://www.newsweb.com)). Notifications of allocated Shares and warrants of series TO1 and the corresponding subscription amount to be paid by each subscriber are expected to be distributed through the VPS and by the Manager, as the case may be, on or about 15 December 2023. Subscribers having access to investor services through their VPS account are assumed to be able to check the number of Shares and warrants of series TO1 allocated to them on or about 15 December 2023. Subscribers who do not have access to investor services through their VPS account manager may contact their bank or financial intermediary on or about 15 December 2023 to obtain information about the number of Units allocated to them.

The Shares and warrants of series TO1 may not be transferred or traded before they have been fully paid by all subscribers and the share capital increase pertaining to the Rights Issue has been registered with the Norwegian Register of Business Enterprises. Subject to timely payment of the aggregate subscription amount in the Rights Issue, it is expected that the Company's new share capital following the Rights Issue will be registered with the Norwegian Register of Business Enterprises on or about 22 December 2023. Shares and warrants of series TO1 to be traded on Euronext Growth Oslo and Nasdaq First North Growth Market are expected to be tradable shortly thereafter upon their registration in the VPS. The Shares and warrants of series TO1 are expected to be delivered to subscribers who are allocated Units on or about 28 December 2023 and are expected to be tradable on or about the same date.

### **Payment for the Units**

The payment for Units allocated to a subscriber falls due on or about 20 December 2023. Payment must be made in accordance with the requirements set out below. For subscribers holding subscription rights through financial intermediaries (e.g., brokers, custodians and nominees) see section "Financial intermediaries".

#### Subscribers who have a Norwegian bank account

Subscribers who have a Norwegian bank account must, and will by signing the subscription form or by the online subscription registration for subscriptions through the VPS online subscription system, provide the VPS Registrar with a one-time irrevocable authorization to debit a specified Norwegian bank account for the amount payable for the Units which are allocated to the subscriber.

Accounts will be debited on or about 20 December 2023, and there must be sufficient funds in the stated bank account from and including 19 December 2023 (or the day prior to the payment date).

The specified bank account is expected to be debited on or after the payment date. The VPS Registrar will only be authorized to debit such account once but reserves the right to make up to three debit attempts, and the authorization will be valid for up to seven working days after the payment date.

The subscriber furthermore authorizes the VPS Registrar to obtain confirmation from the subscriber's bank that the subscriber has the right to draw on the specified account and that there are sufficient funds in the account to cover the payment.

If there are insufficient funds in a subscriber's bank account or if it for other reasons is impossible to debit such bank account when a debit attempt is made pursuant to the authorization from the subscriber, the subscriber's obligation to pay for the Units will be deemed overdue.

Payment by direct debiting is a service that banks in Norway provide in cooperation. In the relationship between the subscriber and the subscriber's bank, the standard terms and conditions for "Payment by Direct Debiting – Securities Trading", which are set out on page 2 of the subscription form, will apply.

#### Subscribers who do not have a Norwegian bank account

Subscribers who do not have a Norwegian bank account must ensure that payment with cleared funds for the Units allocated to them is made on or before the payment date.

Prior to any such payment being made, the subscriber must contact the VPS Registrar on +47 23 26 80 20 for further details and instructions.

#### Overdue payment

Overdue payments will be charged with interest at the applicable rate from time to time under the Norwegian Act on Interest on Overdue Payment of 17 December 1976 No. 100, currently 11.75 percent per annum as of the date of this Prospectus. If a subscriber fails to comply with the terms of payment, the Units will, subject to the restrictions in the Norwegian Private Limited Liability Companies Act (the "**Companies Act**"), not be delivered to such subscriber.

The Company and the Manager further reserve the right (but have no obligation) to have the Manager advance the subscription amount on behalf of subscribers who have not paid for the Units allocated to them within the payment date. The non-paying subscribers will remain fully liable for the subscription amount payable for the Units allocated to them, irrespective of any such payment by the Manager.

### **Delivery of the Units**

Subject to timely payment of the entire subscription amount in the Rights Issue, the Company expects that the share capital increase pertaining to the Rights Issue will be registered with the Norwegian Register of Business Enterprises on or about 22 December 2023. The Shares and warrants of series TO1 are expected to be delivered to subscribers who are allocated Units in the VPS on or about 28 December 2023 and in Euroclear on or about 28 December 2023.

The final deadline for registration of the share capital increase pertaining to the Rights Issue with the Norwegian Register of Business Enterprises, and, hence, the subsequent delivery of the Units, is, pursuant to the Companies Act, three months from the expiry of the Subscription Period (i.e., three months from 13 December 2023).

### **Listing of the Shares**

The Shares are listed on Euronext Growth Oslo or on Nasdaq First North Growth Market, as the case may be, under ISIN NO0010721277 and ticker code "ZWIPE". The Shares to be listed on Euronext Growth Oslo will be listed as soon as the share capital increase pertaining to the Rights Issue has been registered with the Norwegian Register of Business Enterprises and the Shares have been registered in the VPS. This is expected to take place on or about 22 December 2023. Shares to be listed on Nasdaq First North Growth Market will be listed as soon as possible thereafter, expected to take place on or about 22 December 2023. The warrants of series TO1 issued in the Rights Issue are intended to be listed on Euronext Growth Oslo and on Nasdaq First North Growth Market as soon as practically possible following registration of the warrants with the Norwegian Register of Business Enterprises.

The Shares issued in the Rights Issue may not be transferred or traded before they are fully paid and the share capital increase pertaining to the Rights Issue has been registered with the Norwegian Register of Business Enterprises.

### **The rights conferred by the Units**

The Shares issued in the Rights Issue will be issued in accordance with the Companies Act, each having a nominal value of NOK 0.10, and will be registered electronically in the VPS and in Euroclear.

The new Shares issued in connection with the Rights Issue will rank *pari passu* in all respects with the existing Shares and will carry full shareholder rights in the Company from the time of registration of the share capital increase pertaining to the Rights Issue with the Norwegian Register of Business Enterprises. The Shares will be eligible for any dividends which the Company may declare after such registration. All Shares will have voting rights and other



rights and obligations which are standard under the Companies Act, and are governed by Norwegian law.

### **VPS and Euroclear registration**

The subscription rights will be registered in the VPS under ISIN NO0013068122 and in Euroclear under ISIN SE0021148277. The new Shares issued in the Rights Issue will be registered in the VPS and in Euroclear with the same ISIN as the existing Shares, i.e., ISIN NO0010721277. Warrants of series TO1 will be registered under ISIN NO0013068130.

Please refer to Section "Central securities deposit" above for information regarding the VPS Registrar.

### **Timeliness, validity, form and eligibility of subscriptions**

All questions concerning the timeliness, validity, form and eligibility of any subscription for Units will be determined by the Board of Directors, whose determination will be final and binding. The board of directors, the Manager, or the VPS Registrar upon being authorised by the board of directors, may in its or their sole discretion waive any defect or irregularity in the subscription forms, permit such defect or irregularity to be corrected within such time as the board of directors or the Manager may determine, or reject the purported subscription of any Units. It cannot be expected that subscription forms will be deemed to have been received or accepted until all irregularities have been cured or waived within such time as the board of directors or the Manager or the VPS Registrar shall determine. Neither the board of directors, the Company nor the Manager or the VPS Registrar will be under any duty to give notification of any defect or irregularity in connection with the submission of a subscription form or assume any liability for failure to give such notification. Further, neither the board of directors, the Company nor the Manager or the VPS Registrar are liable for any action or failure to act by a financial intermediary through whom any existing shareholder holds its Shares or by the Manager or the VPS Registrar in connection with any subscriptions or purported subscriptions.

### **Share capital following the Rights Issue**

Upon registration of the share capital increase following the registration of the Rights Issue with the Norwegian Register of Business Enterprises, the Company's share capital will be increased with NOK 5,841,373.20 and will be NOK 11,682,746.40 divided into 116,827,464 Shares, each with a nominal value of NOK 0.10. If all the warrants of series TO1 issued in the Rights Issue are exercised the Company's share capital will increase by an additional NOK 14,603,433 and the number of Shares will increase by an additional 29,206,866.

### **Dilution**

The Company's total number of Shares will upon full subscription in the Rights Issue increase by 58,413,732 new Shares following resulting in a total of 116,827,464 Shares outstanding, implying a dilution of 50 percent for existing shareholders not participating in the Rights Issue. If the Rights Issue is fully subscribed and all the warrants of series TO1 are exercised the Company's total number of Shares will increase by 29,206,866 new Shares resulting in a

total of 146,034,330 Shares outstanding, implying a final dilution of approximately 60 percent for existing shareholders not participating in the Rights Issue.

The Convertible Loan (as defined in Section "Subscription undertakings and guarantee commitments" below) will, provided that the Rights Issue is fully subscribed, result in an additional new 6,410,256 new Shares. The additional warrants of series TO1 that the top guarantor is entitled to subscribe for under the top guarantee commitment (as specified under Section ""Subscription undertakings and guarantee commitments" – "Top guarantee commitment" below) will, upon full subscription in the Rights Issue, amount to 3,205,128 warrants of series TO1.

### **Subscription undertakings and guarantee commitments**

In connection with the Rights Issue, the Company has received subscription undertakings from a number of existing shareholders totaling approximately NOK 8.8 million, corresponding to approximately 25 percent of the Rights Issue. No compensation is paid for these subscription commitments. In addition, Zwiipe has received so-called bottom guarantee commitments of approximately NOK 15.8 million. Through the bottom guarantees, provided that subscription takes place to an amount at least equivalent to the subscription commitments, approximately 70 percent of the issue proceeds in the Rights issue is secured. For the so-called bottom guarantees, a compensation of thirteen (13) percent of the guaranteed amount is paid. The subscription commitments and bottom guarantee commitments are not secured by bank guarantee, escrow funds, pledging or similar arrangements.

Further, Zwiipe has received a so-called top guarantee of approximately NOK 10.5 million. For the so-called top guarantee, a compensation of fifteen (15) percent of the guaranteed amount is paid. In the event that the top guarantor needs to fulfil its top guarantee commitment, the subscription amount shall be paid to the Company by the top guarantor subscribing for a convertible loan in the Company (the "**Convertible Loan**"). In the event that the top guarantor needs to fulfil its top guarantee commitment, the subscription amount shall be paid to the Company by the top guarantor subscribing for the Convertible Loan. The total subscription price for the Convertible Loan will be equivalent to the total subscription price of the Rights Issue, minus the subscription price of the units subscribed by the existing shareholders of the Company and the units subscribed by the bottom guarantors. However, the subscription price shall not be less than NOK 5.0 million. For instance, if the Rights Issue is subscribed to 75 percent, the top guarantor will subscribe in the Convertible Loan for 25 percent of the Rights Issue. If the Convertible Loan is subscribed to 95 percent, the Top Guarantor will subscribe for 5 percent of the Rights Issue, adjusted up to an amount equal to base amount of NOK 5.0 million. This means that the total potential funds raised in the Rights Issue and the Convertible Loan could amount to approximately NOK 40.0 million in aggregate. The Convertible Loan is not secured by bank guarantee, escrow funds, pledging or similar arrangements.

The subscription undertakings and guarantee agreements were entered in November 2023.

#### Subscription undertakings

The table below shows the subscription amount undertaken by existing shareholders:

Name of pre-committed shareholders	Address	Committed amount
Vasastaden Holding AB	Kungsporsplatsen 1, 411 10 Göteborg	3,504,000.00
Erik Selin Fastigheter AB	Vasagatan 54, 411 37 Göteborg	1,752,411.60
Jörgen Lantto*		1,752,411.60
Lars Windfeldt*		1,000,000.20
Concito AS	Nedre Slottsgate 15, 0157 Oslo	300,000.00
PRInvest AS	Birgitte Hammers vei 19, 1167 Oslo	224,344.20
Patri Invest & Trading AS	Nittedalsgata 9, 2000 Lillestrøm	224,343.00
<b>Total undertaken amount:</b>		<b>8,757,510.60</b>

\*Physical persons who have entered into subscription undertakings may be reached on the Manager's address: Jungfrugatan 35, SE-114 44 Stockholm

#### Bottom guarantee commitments

In the event the Rights Issue is not fully subscribed, the bottom guarantors undertake towards the Company, the Company's shareholders, and the Manager to, immediately upon request, subscribe and pay for Units in the Rights Issue and otherwise pursuant to the terms of the Rights Issue in an amount of up to approximately NOK 15.8 million, which corresponds to approximately 45.1 percent of the Rights Issue. The bottom guarantors shall receive compensation for its guarantee commitment from the Company in an amount equal to thirteen (13) percent of the guaranteed amount.

The guarantors have, limited to their respective guaranteed amounts as set out in the table below, undertaken to subscribe and pay for the Units not subscribed for during the subscription period on or prior to the payment date (not including the subscriptions covered by the subscription undertakings).

The table below shows the subscription amount guaranteed by each bottom guarantor:

Name of guarantor	Address	Guaranteed amount
Nowo Global Fund	c/o QQM Fund Management AB Artillerigatan 42, 114 45 Stockholm	4,000,000.00
Formue Nord Fokus A/S	Østre Alle 102, 4. sal 9000 Aalborg	3,676,256.60
Myacom Investment AB	Torstenssonsgatan 3, 114 56 Stockholm	1,500,000.00
Buntel AB	Ingmar Bergmans Gata 2, 114 34 Stockholm	1,000,000.00
Nils Berg*		800,000.00
John Bäck*		750,000.00
PRInvest AS	Birgitte Hammers vei 19, 1167 Oslo	600 000,00
Patri Trading & Invest AS	Nittedalsgata 9, 2000 Lillestrøm	600 000,00
Erik Lundin*		500,000.00
Jens Miöen*		500,000.00
Silfvergruppen AB	Roslagsgatan 4, 113 55 Stockholm	500 000,00
Bernhard von Ostensacken*		500 000,00
Aktiebolaget Lundgren, Nilsson & Moll	Nedge Långvinkelsgatan 34, 242 34 Helsingborg	300,000,00
Tor Ökvist*		300,000.00

Dariusz Hosseinian*	250,000.00
<b>Total guaranteed amount</b>	<b>15,776,256.60</b>

\*Physical persons who have entered into bottom guarantee commitments may be reached on the Manager's address: Jungfrugatan 35, SE-114 44 Stockholm

### Top guarantee commitment

The Company has committed to issue, and Formue Nord Fokus A/S has committed to subscribe for, a minimum amount of NOK 5,000,000 in the Convertible Loan, in accordance with the rules of the Norwegian Private Limited Liability Companies Act. The aggregate subscription price for the Convertible Loan will amount to the maximum aggregate subscription price in the Rights Issue less the aggregate subscription price for Units subscribed for by existing shareholders in the Company and Units subscribed for under the bottom guarantee commitments, however not less than NOK 5 million. The conversion price per share for the Convertible Loan issued under the top guarantee commitment will amount to NOK 0.78. The Convertible Loan will become due for payment on 20 December 2024, to the extent conversion has not taken place before such date. The Convertible Loan will carry an interest rate of 10 percent + STIBOR 3M. The interest shall be paid by the Company quarterly in cash and may not be converted into Shares.

Formue Nord Fokus A/S will, under the top guarantee commitment, also be entitled to subscribe for additional warrants of series TO1 free of charge. The number of warrants Formue Nord Fokus A/S shall be entitled to subscribe for under the top guarantee commitment will amount to the maximum number of units in the Rights Issue less the aggregate number of units subscribed for by existing shareholders in the Company and units subscribed for under the Bottom Guarantee Commitments divided by 0.78.

### Publication of information relating to the Rights Issue

The Company will publish information relating to the Rights Issue through a press release that will be available on the Company's website, and by using the Oslo Stock Exchange's information system Newsweb (available at [www.newsweb.com](http://www.newsweb.com))

### Miscellaneous

#### NCI number and LEI number

In order to participate in the Rights Issue, subscribers will need a global identification code. Physical persons will need a so-called National Client Identifier ("NCI") and legal entities will need a so-called Legal Entity Identifier ("LEI").

For physical persons with only a Norwegian citizenship, the NCI code is the 11-digit personal ID (Nw. *fødselsnummer*). If the person in question has multiple citizenships or another citizenship than Norwegian, another relevant NCI code can be used. Subscribers are encouraged to contact their bank for further information.

LEI is a mandatory number for all companies investing in the financial market from January 2018. A LEI is a 20-character identifier that identifies distinct legal entities that engage in financial transactions. The global authority to issue LEI rests with the Global Legal Identifier

Foundation ("GLEIF") which does not issue LEIs itself, but delegates this responsibility to Local Operating Units ("LOU"s).

Norwegian companies can apply for a LEI number through the website <https://no.nordlei.org/>. The application can be submitted through an online form and signed electronically with BankID. It normally takes one to two working days to process the application.

Non-Norwegian companies can find a complete list of LOUs on the website <https://www.gleif.org/en/about-lei/get-anlei-find-lei-issuing-organizations>.

## BOARD OF DIRECTORS AND SENIOR MANAGEMENT

### Board of directors

As of the date of the Prospectus, the board of directors consists of five (5) members, including the Chairman of the board, elected up until the end of the annual general meeting 2025. According to the Company's articles of association, the board of directors is consistent of not less than two (2) and not more than nine (9) board members, with no deputy members. All board members and senior management members can be reached via the Company's address Henrik Ibsens gate 90, 0255 Oslo, Norway.

Name	Position	Elected	Independent in relation to The Company and senior management	Larger shareholders	Holdings*
Jörgen Lantto	Chair of the Board	2016 <sup>1)</sup>	Yes	Yes	1,348,145 Shares and 0 SIP options
Christina Örn	Board member	2023	Yes	Yes	0 Shares and 0 SIP options
Dennis Jones	Board member	2018	Yes	Yes	101,458 Shares and 0 SIP options
David Chew	Board member	2023	Yes	Yes	0 Shares and 0 SIP options
Robert Jansson	Board member	2023	Yes	Yes	0 Shares and 0 SIP options

<sup>1)</sup> Mr. Lantto was elected as a Board Member in November 2016 and as Chair at the Company's AGM in May 2018

\*Refers to own and all closely associated natural and legal persons holdings.

### Jörgen Lantto, Chair of the Board

Previously CEO of Fingerprint Cards AB, Mr. Lantto held the position during a period of unprecedented global growth. Prior to being appointed CEO, he was Executive Vice President, CTO and Head of Strategy and Product Development of Fingerprint Cards AB. Before his time at Fingerprint Cards, he held a wide range of senior executive positions at the ICT Company Ericsson. Well known and highly respected in the biometrics industry, he has extensive expertise in helping technology companies grow on an international scale.

### Current directorships and management positions:

Chair of the board of Cambridge Mechatronics Ltd; board member of Bromma Tech Consulting AB; board member of Tobii AB; CEO and board member of Milepost AB, and advisory board member of Intrinsic ID and Sentons Inc.

Previous directorships and management positions last five years:

Board member of myFC Holding AB (2017-2019) and board member of Dirac AB and Wirepas Oy (2017-2022).

**Dennis Jones, Board Member**

In 2018, Mr. Jones retired as the COO of TSYS Issuer Solutions, a U.S. based global payment processing company, and as chair of Paysafe PLC, a U.K. based Financial Times Stock Exchange 250 Index global payments company (a position he held until December 2017). Mr. Jones has extensive experience in the FinTech, payments and payment processing sectors, having held executive and board roles a) in the United Kingdom as chair of MasterCard UK Ltd and various executive roles with Royal Bank of Scotland (RBS) and National Westminster Bank (NatWest); and b) in the U.S. as a director, president and chief executive officer of RBS National Bank, as a non-executive director of Argus Information Services Inc., and as a non-executive director of Kroger Personal Finance. Mr. Jones has also worked in China as an executive director of the RBS / Bank of China credit card joint venture. He has a Bachelor of Science honors degree in Electrical and Electronic Engineering from the University of Northumbria in the United Kingdom in 1980.

Current directorships and management positions:

Member of the Board of D & PM Associates Limited.

Previous directorships and management positions last five years:

Chair of Paysafe PLC (2014-2017). Chair of the Board of Skrill Ltd. Chair of the Board of Prepaid Services Co. Ltd.

**Christina Örn, Board member**

Ms. Örn serves as Head of Payments and Cards with Länsförsäkringar Bank AB in Sweden. Christina has extensive experience in the financial services industry, particularly in the area of payments and cards. She has held various leadership roles in companies such as Länsförsäkringar Bank, Fido Consulting AB, Tieto, Visa, SEB and Nordea.

Ms. Örn has experience in business development, sales, project management, change management, and team management. She has a Diploma in Marketing and Economics from Företagsekonomiska Institutet in Stockholm, and she has completed studies in Economics, upper secondary school at Teljegymnasiet, Södertälje.

Current directorships and management positions:

Head of Payments and Cards with Länsförsäkringar Bank AB Sweden

Previous directorships and management positions last five years:

Senior Business Consultant Financial Services at FiDo Consulting AB Sweden. Head of Sales Sweden and Head of Product & Market Development Nordics and Baltics at Visa Europe

**David Chew, Board member**

Mr. Chew has until recently served as Senior Vice President, Finance, Issuer Solutions with TSYS, a global payment services company to worldwide financial and non-financial institutions spanning the Americas, Europe, Asia, Middle East and Africa. Mr. Chew was a member of the Issuer Solutions and International Executive Leadership teams driving financial management globally. He had various positions in TSYS between 2006 and 2023. In addition to TSYS, he has also had positions with Fujitsu, Cincom Systems and KPMG. Mr. Chew has a Law degree from De Montford University and is a qualified Chartered Accountant.

Current directorships and management positions:

Board member of TSYS Managed Services EMEA Ltd; board member for TSYS Card Tech Services India Private LLP and board member of DLC Consulting Ltd.

Previous directorships and management positions last five years:

Management positions: SVP Finance-Issuer Solutions for Global Payments Inc. Board member for TSYS International Management Ltd (2013-2023); board member for Total System Services Ltd (2006-2023); board member for TSYS Card Tech Ltd (2006-2023); board member for Merchant Warehouse (NI) Ltd (2017-2023); board member for TSYS Managed Services EMEA B.V. (2006-2023); board member for TSYS Managed Services EMEA (Netherlands) B.V. (2006-2023); board member for TSYS Europe (Netherlands) B.V. (2006-2023); board member for TSYS Europe (Deutschland) GmbH (2007-2023); board member for TSYS Europe (Italia) S.r.l. (2007-2023); board member for TSYS Card Tech Services Ltd (Cyprus) (2006-2023); board member for TSYS Card Tech Services (Malaysia) San Bhd. (2006-2023); board member for Columbus Depot Equipment Company LLC (2011-2023); board member for Cayan LLC (2017-2023).

**Robert Jansson, Board member**

Mr. Jansson is Director Sales of Northern and East Europe & South Africa with STID Security. He has been working in the field of Identity and Access Management since 1998, with a focus on international RFID reader and credential business. He has experience in printed and logical security as well. He has held various positions throughout their career, including Sales and Export Manager roles at Solid (which was part of the foundation of ASSA ABLOY) and HID Global in the Nordics. As a self-employed IAM expert, Mr. Jansson has worked at Infratek Security Norway and Nexus ID Solutions Sweden before joining STID Security France in 2018 in his current role as Director of Sales for Northern and East Europe, South Africa.

Current directorships and management positions:

Director of Sales at STID Security, Member of the board and Vice CEO Construction time Again AB, Member of the board and CEO Some Great Reward AB, Board Deputy Spirit Optical AB.

Previous directorships and management positions last five years:

Member of the board Tjörns Optik AB



**Senior management**

<b>Name</b>	<b>Position</b>	<b>Employed</b>	<b>Holdings*</b>
Robert Puskaric	President and Chief Executive Officer	2022	0 Shares, 450,000 SIP options and 293,518 restricted share units
Danielle Glenn	Chief Financial Officer and Head of IR	2022	12,000 Shares, 140,000 SIP options and 31,613 restricted share units
Patrice Meilland	Chief Strategy and Product Officer	2022	13,995 Shares, 110,000 SIP options and 31,613 restricted share units
Dr. Robert Mueller	Chief Technology Officer	2019	75,556 Shares, 220,000 SIP options and 31,613 restricted share units

\* Refers to own and all closely associated natural and legal persons holdings.

**Robert Puskaric, CEO**

Mr. Robert Puskaric joined Zwipe as President and CEO in June 2022. Mr. Puskaric brings a renewed focus on commercializing Zwipe's current products and services and has a proven track record of transforming cutting-edge companies into growth and success. Robert Puskaric has a long successful career mainly from the Ericsson group where positions held include President, Region Northern Europe and Central Asia, President, Ericsson Mobile Platforms, Senior Vice President, Business Unit Modems, and Executive Vice President, ST-Ericsson. He has also been President and CEO of Doro Group AB and Eniro Group AB. He holds a Bachelor's degree in Economics and Management from Lund University, Sweden.

**Current directorships and management positions:**

Chair of the board of Phoencia Invest AB and chair of the board of Norla AB

**Previous directorships and management positions last five years:**

President and CEO of Eniro (2021-2022) and President and CEO of Doro Group (2017-2019)

**Danielle Glenn, CFO and Head of IR**

Ms. Glenn joined Zwipe from a position as CFO of Arctic Bioscience AS, a Norwegian biotech company. While at Arctic Bioscience, Ms. Glenn managed the company's capital markets activities and Investor Relations and was heavily involved in setting the company's overall strategic, commercial, operating and investment plans. Ms. Danielle Glenn joined Zwipe as CFO and Head of IR in May 2022, where she is helping lead the company through its next phase of international commercialization of biometric cards within payments and access control. Ms. Glenn spent most of her career in London and New York, working at Goldman Sachs, Caxton Associates and Bywater Capital as a global macro hedge fund manager and Chief Investment Officer. Ms. Glenn graduated magna cum laude from Harvard University with a BA in History and Science.

Current directorships and management positions:

Chair of the board of KAD Group AS

Previous directorships and management positions last five years:

CFO of Arctic Bioscience AS (2020-2022) and CEO of Sensee AS (2018-2019)

**Dr. Robert Mueller, CTO**

Dr. Mueller has more than 25 years of experience in smart cards, biometrics and IT security. He created ground-breaking products, solutions and patents for various companies including Siemens, Giesecke & Devrient, BMW and NEXT Biometrics before joining Zwipe in 2019 as the new CTO. Dr. Mueller is responsible for technology and IP at Zwipe and leads a team of 13 engineers and experts in their respective fields. For many years, Dr. Mueller has been an active contributor to inter- industry standardization and a mentor to distinguished students, and the publication of scientific papers complements his professional life.

Current directorships and management positions:

N/A

Previous directorships and management positions last five years:

Vice President of Biometric Solutions at NEXT; CTO at NEXT Biometrics

**Patrice Meilland, CSO and CPO**

Mr. Patrice Meilland joined Zwipe as Chief Strategy and Product Officer in April 2022 where his primary focus areas are strategy, strategic partnerships and Zwipe's product portfolio and roadmap. The product management team is placed under his leadership, and he is also currently responsible for Zwipe Pay sales & marketing. Mr. Meilland's extensive business and technical experience in the semiconductor, mobile, and payment card industries include 7 years at IDEMIA and 26 years at ST Microelectronics and ST-Ericsson. He joined Zwipe from the position as SVP of Advanced Cards at IDEMIA, where he was responsible for IDEMIA's biometric cards roadmap, including the BioSE project and product lines such as eco-friendly cards and dynamic CVV cards, transport and urban mobility cards.

Current directorships and management positions:

N/A.

Previous directorships and management positions last five years:

SVP at IDEMIA (2015-2022)

### Other information about the board of directors and senior management

None of the members of the board of directors or executive management members has any family relationship with any other member of the board of directors or senior management of the Company. None of the members of the board of directors or members of the senior management has in the last five years (i) been convicted in fraud-related cases, (ii) been a deputy, board member or senior executive of any company declared bankrupt, placed in receivership or liquidation (other than voluntary liquidation), (iii) been subject to accusation or sanction by any authority mandated by law or regulation (including approved professional associations) or been prohibited by a court from being part of an issuer's administrative, management or control body or from having leading or senior functions with an issuer.

### Remuneration for the board of directors and senior management

Remuneration for the board of directors

Remuneration for the members of the board of directors are determined by the shareholders meeting. At the AGM held in 2022 it was resolved that the Chair of the Board would receive a remuneration of NOK 260,000 and that Board Members would receive a remuneration of NOK 130,000 for the period from the AGM in 2022 to the AGM in 2023. The AGM in 2023 resolved the same level of remuneration to the Chair of the Board and the Board Members, respectively, for the period from the AGM in 2023 to the AGM in 2024. If applicable, the remuneration for the period shall be adjusted pro rata based on the term of service.

The table below shows remuneration paid to current board members during the financial year 2022. Christina Örn, David Chew and Robert Jansson joined the board in 2023. They therefore have not received any remuneration during the financial year 2022. The Company has no reserved amounts for pension or similar benefits following the resignation of a board member.

NOK	Position	Board remuneration
Jörgen Lantto	Chair of the Board	260,000
Johan Biehl	Board member	130,000
Dennis Jones	Board member	130,000
Diderik Schonheyder	Board member	130,000
Stina Granberg	Board member	130,000
Tanya Juul Kjær	Board member	130,000
<b>In total</b>		<b>910,000</b>

Remuneration for the senior management members

Remuneration to the CEO and other senior management members shall be determined at market levels and shall consist of a fixed salary, pension and any other benefits.

The table below shows the remuneration paid to the CEO and other senior management members for the financial year 2022.

NOK	Basic salary <sup>1</sup>	Other benefits <sup>2</sup>	Share-based remuneration	Pension <sup>4</sup>	In total
Robert Puskaric, CEO	3,024,513		-	622,062 <sup>5</sup>	3,646,575
Eric Mercer	2,201,604	145,638	66,478 <sup>3</sup>	90,723	2,504,442
Robert Mueller	2,568,246	29,209	-	79,496	2,676,951
Danielle Glenn	1,783,687	4,392	-	46,753	1,834,832
Patrice Meilland	1,705,050	376,384	-	30,292	2,111,726
Jens Hansen	914,447		-	-	914,447
<b>In total</b>	<b>12,197,547</b>	<b>555,623</b>	<b>66,478</b>	<b>869,326</b>	<b>13,688,973</b>

- 1) Salary includes salary and bonus.
- 2) Other benefits include mobile phone and internet. For employees outside Norway, Sweden and Denmark this also includes medical insurance.
- 3) Share-based remuneration of option exercise.
- 4) The Company or its subsidiary have no provisions or accrued amounts for pensions or similar benefits.
- 5) Robert Puskaric's pension was paid in May 2023 for the period June 22- December 22, 7 months.

### Benefits upon termination

The Company's CEO, Robert Puskaric, is entitled to a severance pay equal to six monthly base salaries at the salary level applicable at the time when notice of termination is provided. The severance pay is paid in six monthly instalments after the notice period has ended. The severance pay does not qualify for pension benefits. Other than the CEO, no member of Management is entitled to any benefits upon termination of their positions as at the date of this Prospectus.

None of the board members have a service contract that entitles them to any benefits upon termination of office.

### Pensions and retirement benefits

The Company provides a fully insured defined contribution scheme (Nw. *obligatorisk tjenestepensjon*) for all its employees. The scheme meets the minimum level mandatory service pension in Norway. The contribution is 4 percent of the employees' annual salary between 1G and 12G. G is the basic amount in the Norwegian social security system, amounting to NOK 340,511 in 2022. The Company's CEO, Robert Puskaric, is entitled to pension contributions equivalent to 35 percent of his fixed base salary.

**Loans and guarantees to the members of the management**

As of the date of this Prospectus, Zwipe has not granted any loans or guarantees to any members of the management team or other employees.

## FINANCIAL INFORMATION AND KEY FIGURES

The Company's audited consolidated financial statements as of and for the years ended 31 December 2022 and 2021. (the "**Audited Financial Statements**") and the Company's unaudited consolidated interim financial statements as of and for the six months' period ended 30 June 2023 including comparative financial information for the same period in the prior financial period (the "**H1 2023 Interim Financial Statements**" and together with the Audited Financial Statements, the "**Financial Information**"), have been incorporated by reference to this Prospectus, see Section "Documents incorporated by reference". The Financial Information is presented in NOK, rounded down to the nearest thousands.

The Audited Financial Statements and the H1 2023 Interim Financial Statements have been prepared in accordance with Norwegian Generally Accepted Accounting Principles ("NGAAP").

The Audited Financial Statements have been audited by BDO (as defined below), as set forth in their auditor reports included therein. Zwipe's auditor, BDO, has not refused any audit report on the Audited Financial Statements and has issued all audit opinions without qualifications, modifications of opinion, disclaimers or emphasis of matter. The H1 2023 Interim Financial Statements have not been audited. BDO has not audited, reviewed or produced any report on any other information provided in this Prospectus.

The Company's auditor is BDO AS, Munkedamsveien 45A, 0250 Oslo, Norway ("**BDO**"). BDO and its auditors are members of The Norwegian Institute of Public Accountants (Nw. Den Norske Revisorforening).

Historical results do not necessarily provide an indication concerning future results. The information presented below should be read in conjunction with the Group's financial reports incorporated by reference in this Prospectus.

### Statement of income

The table below sets out a summary of the Group's consolidated statement of income for the years ended 31 December 2022 and 2021 as derived from the Audited Financial Statements and for the six months' period ended 30 June 2023 as derived from the H2 2022 Interim Financial Statements.

	<b>H1 2023</b> <i>(unaudited)</i>	<b>H1 2022</b> <i>(unaudited)</i>	<b>2022</b> <i>(audited)</i>	<b>2021</b> <i>(audited)</i>
<b>Operating Income</b>				
Sales revenue.....	1,557	528	3,353	1,850
Other operating income .....	175	287	576	691
<b>Operating income .....</b>	<b>1,732</b>	<b>815</b>	<b>3,929</b>	<b>2,541</b>
<b>Operating expenses</b>				

	<b>H1 2023</b> <i>(unaudited)</i>	<b>H1 2022</b> <i>(unaudited)</i>	<b>2022</b> <i>(audited)</i>	<b>2021</b> <i>(audited)</i>
COGS.....	1,212	734	2,170	855
Payroll expenses.....	28,292	25,905	51,997	27,747
Depreciation, amortization & impairment .....	1,013	484	1,876	8,393
Other operating expenses .....	26,939	21,312	52,051	48,542
<b>Operating expenses .....</b>	<b>57,456</b>	<b>48,434</b>	<b>108,093</b>	<b>85,537</b>
<b>Operating profit/loss.....</b>	<b>-55,724</b>	<b>-47,619</b>	<b>-104,164</b>	<b>-82,997</b>
<b>Financial income and expenses</b>				
Other interest income .....	348	76 26	577	15
Other financial income.....	980	711	2,334	186
Other interest expenses.....	3	1	2	28
Other financial expenses .....	1,517	603	2,640	532
<b>Net financial income and expenses .....</b>	<b>-193</b>	<b>183</b>	<b>269</b>	<b>-359</b>
<b>Results before tax .....</b>	<b>-55,916</b>	<b>-47,436</b>	<b>-103,895</b>	<b>-83,355</b>
Tax expense.....	231	255	885	115
<b>Results for the year .....</b>	<b>-56,147</b>	<b>-47,691</b>	<b>-104,780</b>	<b>-83,471</b>
<b>Profit(+)/Loss(-) for the year attributable from:</b>				
Share premium reserve.....	-56,147	-47,691	-104,780	-83,471
Uncovered loss.....	0	0	0	0
<b>TOTAL .....</b>	<b>-56,147</b>	<b>-47,691</b>	<b>-104,780</b>	<b>-83,471</b>
Number of Shares end of period .....	58,413,732	37,516,685	37,551,685	36,982,685
Average number of Shares in the period before/after dilution .....	49,192,938	37,315,752	37,405,138	34,000,382
<b>Profit per. share before/after dilution</b>	<b>-1.14</b>	<b>-1.28</b>	<b>-2.80</b>	<b>-2.45</b>

## Statement of financial position

The table below sets out a summary of the Company's consolidated statement of financial position as of the years ended 31 December 2022 and 2021 as derived from the Audited Financial Statements and for the six months' period ended 30 June 2023 as derived from the H1 2023 Interim Financial Statements.

Amounts in TNOK

	Period ended			
	30 June 2023 (unaudited)	30 June 2022 (audited)	31 December 2022 (audited)	31 December 2021 (audited)
<b>Assets</b>				
<i>Long-term assets</i>				
Equipment, fixtures and fittings .....	4,376	3,821	3,385	3,336
<b>Total Fixed Assets .....</b>	<b>4,376</b>	<b>3,821</b>	<b>3,385</b>	<b>3,336</b>
<i>Financial Assets</i>				
Investment in subsidiaries.....	0	0	0	0
Other financial receivables.....	0	394	0	451
<b>Total Financial Assets .....</b>	<b>0</b>	<b>394</b>	<b>0</b>	<b>451</b>
<b>Total Long-term Assets.....</b>	<b>4,376</b>	<b>4,215</b>	<b>3,385</b>	<b>3,787</b>
<i>Current Assets</i>				
<i>Inventories</i>				
Inventories .....	4,778	4,314	10,153	2,448
<b>Total Inventories .....</b>	<b>14,778</b>	<b>4,314</b>	<b>10,153</b>	<b>2,448</b>
<i>Receivables</i>				
Accounts receivables .....	2,289	83	2,269	87
Other receivables.....	1,040	4,314	1,370	4,748
<b>Total debtors.....</b>	<b>3,328</b>	<b>4,398</b>	<b>3,639</b>	<b>4,834</b>
<i>Cash</i>				
Bank deposits, cash.....	75,960	109,719	50,466	152,346
<b>Total cash .....</b>	<b>75,960</b>	<b>109,719</b>	<b>50,466</b>	<b>152,346</b>
<b>Total Current Assets .....</b>	<b>94,066</b>	<b>118,431</b>	<b>64,258</b>	<b>159,627</b>
<b>Total Assets .....</b>	<b>98,442</b>	<b>122,645</b>	<b>67,643</b>	<b>163,414</b>
<b>Equity and liabilities</b>				
<i>Equity</i>				
<i>Paid-up Equity</i>				
Share capital.....	5,841	3,752	3,755	3,698
Share premium reserve.....	79,537	105,062	50,878	144,849



*Amounts in TNOK*

	<b>Period ended</b>			
	<b>30 June 2023 (unaudited)</b>	<b>30 June 2022 (audited)</b>	<b>31 December 2022 (audited)</b>	<b>31 December 2021 (audited)</b>
Total restricted equity .....	85,379	108,814	54,634	148,547
<b>Total equity .....</b>	<b>85,379</b>	<b>108,814</b>	<b>54,634</b>	<b>148,547</b>
<i>Liabilities</i>				
Long-term liabilities				
Other long-term liabilities .....	-	-	-	-
<b>Total of other long-term liabilities</b> .....	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Short-term Liabilities				
Accounts Payables .....	7,797	3,251	3,333	853
Public duties payable.....	438	994	898	4,455
Tax payable .....	1,005	434	660	142
Other short-term liabilities .....	3,824	9,152	8,119	9,417
<b>Total short-term liabilities.....</b>	<b>13,063</b>	<b>13,832</b>	<b>13,009</b>	<b>14,867</b>
<b>Total liabilities.....</b>	<b>13,063</b>	<b>13,832</b>	<b>13,009</b>	<b>14,867</b>
<b>Total equity and liabilities .....</b>	<b>98,442</b>	<b>122,645</b>	<b>67,643</b>	<b>163,414</b>

**Statement of cash flows**

The table below sets out a summary of the Company's consolidated statement of cash flows for the for the years ended 31 December 2022, and 2021 as derived from the Audited Financial Statements and for the six months' period ended 30 June 2023 as derived from the H1 2023 Interim Financial Statements.

*Amounts in TNOK*

	<b>H1 2023 (unaudited)</b>	<b>H1 2022 (unaudited)</b>	<b>Full Year 2022 (audited)</b>	<b>Full Year 2021 (audited)</b>
	Net Income / (Loss) before tax .....	-56,147	-47,714	-104,780
Taxes paid .....	0	0	0	0
(+) Option cost no cash effect .....	1,339	2,080	3,673	4,005
(-/+ ) Gain/Loss of on sale of assets .....	0	0	0	-93
(+) Depreciation, amortisation & impairment .....	1,013	484	1,876	8,393

## Amounts in TNOK

	<b>H1</b> <b>2023</b> <i>(unaudited)</i>	<b>H1</b> <b>2022</b> <i>(unaudited)</i>	<b>Full Year</b> <b>2022</b> <i>(audited)</i>	<b>Full Year</b> <b>2021</b> <i>(audited)</i>
(-) Change in Inventory	-4,625	-1,867	-7,705	-2,135
(-) Change in Accounts Receivable	647	-12	-2,027	3
(-) Change in Other Current Assets	-26	555	2,788	-3,537
(+) Change in Accounts Payables	4,665	2,391	2,467	-2,267
(+) Change in Current Liabilities	-4,545	-3,510	-4,422	2,407
<b>Net Cash use in Operating Activities</b>	<b>-57,680</b>	<b>-47,592</b>	<b>-108,130</b>	<b>-76,693</b>
<b>Cash Flows from Investing Activities</b>				
Intangible Assets and Capital Expenditures	1,745	-968	-1,451	-1,712
<b>Net Cash Provided by (used in) Investing Activities</b>	<b>-1,745</b>	<b>-968</b>	<b>-1,451</b>	<b>1,712</b>
<b>Operational Cash Flow</b>	<b>-59,330</b>	<b>-48,560</b>	<b>-109,581</b>	<b>-78,405</b>
<b>Cash Flows from Financing Activities</b>				
Equity Issue	100,138	4,821	5,136	105,191
Unregistered capital increase	0	250	0	0
Transaction cost not recognized over P&L	-16,047	-26	-41	54
<b>Net Cash Provided by Financing Activities</b>	<b>84,090</b>	<b>5,046</b>	<b>5,095</b>	<b>105,245</b>
Effect of Foreign Currency Translation	733	888	2,607	249

## Amounts in TNOK

	H1 2023 <i>(unaudited)</i>	H1 2022 <i>(unaudited)</i>	Full Year 2022 <i>(audited)</i>	Full Year 2021 <i>(audited)</i>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>				
.....	25,493	-42,627	-101,879	27,090
Cash and Cash Equivalents at Beginning of Period				
.....	50,466	152,346	152,346	125,255
Cash and Cash Equivalents at End of Period				
.....	75,960	109,719	50,466	152,346
<b>Net cash flow</b>				
.....	<b>25,493</b>	<b>-42,627</b>	<b>-101,879</b>	<b>27,090</b>

## Key Figures

The table below sets out a summary of the Company's financial key figures for the for the years ended 31 December 2022, and 2021 as derived from the Audited Financial Statements and for the six months' period ended 30 June 2023 as derived from the H1 2023 Interim Financial Statements.

(Amounts in TNOK)	H1 2023	H1 2022	Full Year 2022	Full Year 2021
<b>Revenue</b>	1,732	815	3 929	2,541
<b>Gross margin %</b>	30 %	10%	45 %	66 %
<b>Net income</b>	-55,724	-47,619	-104,780	-83,471
<b>EBITDA**</b>	-54,711	-47,135	-102,288	-74,603
<b>Adjusted EBITDA**</b>	-54,456	-41,224	-96,377	-81,703
<b>Average number of Shares outstanding in period*</b>	49,192,938	37,315,752	37,405,138	34,000,382
<b>Earnings per share*</b>	-1.14	-1.28	-2.80	-2.45
<b>Net cash flow from operating activities</b>	-57,680	-47,592	-108,130	-76,693
<b>Net cash flow from Investing activities</b>	-1,745	-968	-1,451	-1,712
<b>Net cash flow from financing activities</b>	84,090	5,046	5,095	105,245
<b>Total net cash flow</b>	25,493	-42,627	-101,879	27,090
<b>Cash and cash equivalents end of period</b>	75,960	109,719	50,466	152,346

<b>Total assets end of period</b>	98,442	122,645	67,643	163,414
<b>Equity ratio %</b>	87%	89%	81%	91%
<b>Adjusted operational expenses (OPEX)**</b>	57,201	42,523	102,182	92,637

\*Actual numbers, not TNOK

\*\* Alternative Performance Measures. Unaudited.

### Reconciliation tables

#### EBITDA

(Amounts in TNOK)	H1 2023	H1 2022	Full Year 2022	Full year 2021
Operating profit/loss (GAAP)	-55,724	47,619	-104,164	-82,997
(+) Depreciation, amortization & impairment (GAAP)	1,013	484	1,876	8,393
<b>EBITDA</b>	<b>-54,711</b>	<b>-47,135</b>	<b>-102,288</b>	<b>-74,603</b>

#### Adjusted Operational expenses (OPEX)

(Amounts in TNOK)	H1 2023	H1 2022	Full Year 2022	Full year 2021
Operating expenses - COGS	1,212	734	2,170	855
Operating expenses - Payroll expenses	28,292	25,905	46,085	31,247
Operating expenses - Depreciation, amortization & impairment	1,013	484	1,876	8,393
Operating expenses - Other operating expenses	26,684	15,401	52,051	52,142
Payroll expenses -related to non-recurring restructuring cost	-	5,911	5,911	-
Payroll expenses -related to non-	-	-	-	-3,500

recurring government grant				
Other operating expenses - related to non-recurring restructuring cost	255	-	0	-3,600
<b>Operating expenses (GAAP)</b>	<b>57,456</b>	<b>48,434</b>	<b>108,093</b>	<b>85,537</b>
(-) non-recurring items	255	5,911	5,911	-7,100
= <b>Adjusted operational expenses</b>	<b>57,201</b>	<b>42,523</b>	<b>102,182</b>	<b>92,637</b>

#### Adjusted EBITDA

(Amounts in TNOK)	H1 2023	H1 2022	Full Year 2022	Full year 2021
Operating profit/loss (GAAP)	-55,724	-47,619	-104,164	-82,997
(+) Depreciation, amortization & impairment (GAAP)	1,013	484	1,876	8,393
= <b>EBITDA</b>	<b>-54,711</b>	<b>-47,135</b>	<b>-102,288</b>	<b>-74,603</b>
(+) Operating expenses (GAAP)	57,456	48,434	108,093	85,537
(-) Adjusted operational expenses (APM)	57,201	42,523	102,182	92,637
= <b>Adjusted EBITDA</b>	<b>-54,456</b>	<b>-41,224</b>	<b>-96,377</b>	<b>-81,703</b>

### **Definitions of certain key figures**

<b>Key figure</b>	<b>Definition</b>	<b>Reason for use of key figure</b>
EBITDA	Operating profit/(loss) plus depreciation, amortization, and impairment.	Is used for providing consistent information on Zwipe's operating performance. Is frequently used by securities analysts, investors and other stakeholders.
Adjusted operational expenses (OPEX)	Operational expenses adjusted for non-recurring items such as severance packages, listing and private placement related costs, and restructuring costs recorded as other operational expenses.	Is used for providing relevant information on the Company's operational expenses.
Adjusted EBITDA	EBITDA adjusted for non-recurring items such as severance packages, listing and private placement related costs, and restructuring costs recorded as other operational expenses.	Is used for providing consistent information on Zwipe's operating performance adjusted for non-recurring items.

### **Significant changes in the Company's financial position**

No significant changes with respect to the Company's financial position have occurred after 30 June 2023.

### **Previous dividends and dividend policy**

Zwipe has not paid any dividends since its incorporation, and the Company does not anticipate paying any dividends in the short term. The Group is focusing on the development and commercialization of biometric technology products and does not anticipate paying any cash dividend until sustainable profitability is achieved.

## LEGAL CONSIDERATIONS AND OWNERSHIP

### Ownership structure

At the date of this Prospectus, the board of directors is not aware of any agreements that can change the control of the Company. Furthermore, the board of directors is not aware of any directly or indirectly controlling parties. As per 20 October 2023, including subsequent known changes, no shareholder except from the shareholders stated below holds more than 5 percent of the Shares in the Company. The Articles of Association do not contain any provisions that would have the effect of delaying, deferring or preventing a change of control of the Company. The Shares have not been subject to any public takeover bids since the Company's incorporation in 2009.

Owner	Number of Shares and votes	Shares and votes, %
Erik Selin Fastigheter AB	9,249,372	15.83 %
Vasastaden / Niclas Eriksson	6,925,424	11.86 %
VP Bank	4,043,870	6.92 %
Lars Windfeldt and related parties	3,487,709	5.97 %
<b>In total</b>	<b>23,706,375</b>	<b>48.58 %</b>
<b>Total shares in the Company</b>	<b>58,413,732</b>	<b>100 %</b>

### Warrants, convertible debentures etc.

The Company has no outstanding warrants, convertible debentures or similar per the date of the Prospectus, except as set forth below.

### Share based incentive program

The Company has a share-based option program covering all employees, and certain board members (the "SIP") introduced by the board of directors in November 2018 following a recommendation by the Compensation Committee, as replacement of the former share-based incentive program.

As of 31 December 2022, 1,982,410 options were issued under the SIP. As of the date of this Prospectus, 489,573 options are outstanding under the option program.

From 2020, the Company implemented a new policy for rewarding board members with a fixed board fee instead of a shared-based remuneration. The key terms of the SIP are described below.

The SIP was implemented on 30 November 2018 with a total of 1,149,500 options to acquire Shares. The SIP stood at 2,626,168 as of 31 December 2022, equivalent to 7 percent of the registered share capital at the time of the AGM on 23 May 2022. As of 30 June 2023, outgoing balance of the total granted options to employees or board members were 1,648,912. Further,

as of 30 June 2023, the options have strike prices ranging from NOK 5.47 and 30.29. Weighted average strike price was as of 30 June 2023 NOK 18.37.

Under the SIP, the Group's employees etc. hold options to acquire Shares in the Company on the following conditions:

- Options may be granted to new employees and subject to the Compensation Committee's proposal, options may also be granted to existing employees for incentive purposes.
- Options are subject to a vesting period of three years with one-sixth of the options vesting every six months from the date the options are granted. Vesting requires that the option holder is and remains employed by the Group during the relevant six months period.
- Each option that has vested in accordance with the above, entitles the holder to acquire one (1) new share in the Company at a defined strike price based on market conditions at the time the options are granted.
- The options granted under the SIP may become subject to an accelerated vesting if a trigger event occurs. Such trigger events include: (i) the sale or other disposition of all or substantially all of the Company's assets, property or business, (ii) a transfer of more than 50 percent of the Shares in the Company to one or more third parties acting in concert (in one or several related transactions), or (iii) a merger or other combination of the Company with another company resulting in the stockholders of the Company immediately after the merger or combination, holding less than 50 percent of the stock of the surviving entity.
- The options are personal, and the holder may not sell or otherwise transfer the options.

#### Restricted share units (RSUs)

Zwipe has a current incentive program consisting of restricted share units ("RSUs"), which is intended to replace the previous option-based SIP program introduced by the board of directors in November 2018. The current program consisting of RSUs was approved by the annual general meeting on 11 May 2023 and is directed towards the Company's leading employees and other key personnel. The vesting period for the RSUs is four years from award. RSUs will only vest if the average annual total shareholder return during the vesting period exceeds 10 percent. Vested RSUs will be settled in Shares at vesting, whereby one RSU entitles the holder to one share in the Company. The Company will be entitled to settle vested RSUs in each instance with a cash settlement. A maximum of 1,076,230 RSUs may be granted to participants in the RSU program.

On 10 July 2023, an extraordinary general meeting resolved to approve that the board of directors may amend the terms of the RSU program, including but not limited to, amendments to the terms of vesting of the RSUs. However, the board of directors may not change terms with a direct impact on the maximum dilution potentially caused under the RSU program, such as the maximum number of RSUs issued under the program or the number of Shares each RSU entitles to.



The number of outstanding RSUs as per the date of this Prospectus is 913,165, entitling to a total of 913,165 Shares, which corresponds to a potential dilution of a maximum of approximately 1.5 percent, based on the number of outstanding Shares in the Company as of the date of this Prospectus.

### **Material agreements**

The Company has not during the year immediately preceding the date of the Prospectus, entered into any material agreements or, other agreements which contains any provision under which the Company has any obligation or entitlement which is material to the Company as at the date of the Prospectus, other than, in both situations, contracts entered into in the ordinary course of business.

### **Governmental, legal and arbitration proceedings**

The Company is not currently and has not during the past twelve months been a party to any dispute or other legal proceeding that has recently had or may have a significant effect on the Company's financial position or profitability. The Company is also not aware of any potential such proceedings.

### **Transactions with related parties**

The Group has not carried out any related party transactions in the financial years ended on 31 December 2019, 2020, 2021 or 2022 nor in the period from 1 January 2023 until the date of this Prospectus.

### **Conflicts of interest**

No board member or executive management member has any private interest that might conflict with the Company's interest. However, several board members and executive management members have certain financial interests in the Company as a result of their direct or indirect holdings of financial instruments in the Company. No board member or the executive management member has been elected as a result of arrangements or agreements with shareholders, customers, suppliers or other parties.

### **Share capital**

As at the date of this Prospectus, the Company's share capital is NOK 5,841,373.20, divided into 58,413,732 Shares with each Share having a nominal value of NOK 0.10. The Shares have been created, and the Units will be created, under the Companies Act and are validly issued and fully paid. The outstanding opening balance of Shares 31 December 2021 was 36,982,685 Shares and the outstanding closing balance 31 December 2022 was 37,551,685 Shares. The total amount of outstanding Shares as of the date of this Prospectus is 58,413,732.

#### **AVAILABLE DOCUMENTS**

Copies of the following documents will be available for inspection on the Company's website [www.zwipe.com/investors](http://www.zwipe.com/investors) for a period of twelve months from the date of this Prospectus:

- The Company's Articles of Association; and
- Certificate of registration.