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Press release September 30, 2019

Transcendent Group AB (publ) announces offering of shares and publishes prospectus in connection with Nasdaq First North Premier Growth Market listing

Transcendent Group AB (publ) ("Transcendent Group" or the "Company"), a fast-growing consulting company specializing in Governance, Risk and Compliance ("GRC"), announced its intention to conduct an offering of the Company's shares and to list the Company's shares on Nasdaq First North Premier Growth Market (the "Offering or the "IPO"). The prospectus for the Offering is published today and the first day of trading in the Company's shares is expected to commence on 22 October 2019.

- The Offering will be conducted at a fixed price of SEK 31 per share, corresponding to a pre-money valuation of approximately SEK 170 million.
- The Offering includes 1 612 904 shares of which 645 162 shares are offered by principal owners corresponding to approximately SEK 20 million, and 967 742 shares consist of new issued shares that will render approximately SEK 30 million in gross proceeds before deduction of transaction costs.
- The principal owners will hold a total of approximately 57.4% of the number of shares after the Offering.
- Prior to the Offering, Swedbank Robur has undertaken, at the same price as for other investors, to acquire shares in the Offering at a value of SEK 18 038 869, corresponding to approximately 36% of the Offering. Swedbank Robur's commitment is subject to certain conditions. If any of these conditions are not met, Swedbank Robur may refuse to fulfill its obligations.
- The subscription period is expected to run between 1 October and 15 October 2019.
- The Offering is directed to institutional investors in Sweden and internationally as well as to the general public in Sweden.
- First day of trading in the Company's shares on Nasdaq First North Premier Growth Market is expected to commence on 22 October 2019. The expected settlement day is 21 October 2019. The Company's shares will trade under the ticker "TRG".
- A prospectus with full terms and conditions for the Offering is published today, September 30, 2019, on Transcendent Groups website and on Avanza's website.

Transcendent Group is a fast-growing consultancy specialized in Governance, Risk and Compliance. Transcendent Group tailor make solutions to ensure its clients security in a world in constant change with increasing operational risks, regulatory requirements and an increased demand for professional governance. The Company successfully recruits experienced coworkers, primarily with previous experience from large global audit companies.

Transcendent Group's growth strategy is to expand both on established markets and internationally by geographical expansion to markets with a high demand for GRC-services. The geographical expansion in combination with service- and product development creates a good foundation for sustainable growth.

During 2019, Transcendent Group launched a new innovative and digital product called RFA (Regulatory Framework Application) within the business area RegTech (Regulatory Technology). RegTech aims to be

at the forefront of digitalization of GRC-services. RFA is already used by several clients and Transcendent Group believes that the product and business area have great potential to grow.

To enable further growth through new entities on established and new markets and to realize the potentials in the new business area RegTech, Transcendent Group's Board intends to execute the Offering and list the Company's shares.

Offering Summary	
Number of shares in the Offering;	1 612 904
Offering price:	SEK 31 per share
Subscription period:	1 October – 15 October 2019
Settlement day:	21 October 2019
First day of trading in the Company's shares:	22 October 2019
Ticker and ISIN	
ISIN:	SE0012990646
Ticker at Nasdaq First North Premier:	TRG

Martin Malm, CEO Transcendent Group, comments:

Through dedication and hard work, we have managed to position Transcendent Group as a leader in creating comfort in a constantly changing environment. The key pillars in Transcendent Group's continued success are to strengthen our position, expand on established as well as new markets and accelerate our RegTech offering. We are well positioned to continue to create value for our shareholders and capitalize on the possibilities that a listing entail. The IPO is a natural step in our journey to be the top of mind in Governance, Risk and Compliance across all our markets.

As a shareholder you are invited to take part in our exciting journey ahead.

Transcendent Group in short:

Transcendent Group has a well-established and stable business in the Nordic region, and an increasing international presence and growth strategy. As of today, Transcendent Group has offices in 8 countries. The consultant is central in Transcendent Group's offering and the Company's ability to identify, attract, maintain and develop the best consultants within GRC is a critical reason for Transcendent Group's success. The Company has a diversified, broad, multi-industrial client portfolio with over 400 clients across a variety of sectors and client profiles. Transcendent Group's largest client segment consist of banks, credit-market companies and insurance companies and the Company's largest service areas are Information Security, Privacy and Compliance in 2018.

Historical financial development

Transcendent Group has had a strong compound annual growth rate since 2016 of 22% and a proven ability to generate profitability. In 2018, Transcendent Group reported sales of SEK 181 million, a sales growth of 22.6% compared to the previous year. EBITDA amounted to SEK 13 million, corresponding to a margin of 7.1%.

Financial targets

As of 2020, Transcendent Group will increase its pace further, which is enabled by the forthcoming Offering.

Transcendent Group has adopted the following financial targets:

- An annual turnover (net sales) growth of at least 30% over a 3-year cycle.
- Even under strong growth and expansion, the goal is to maintain an EBITDA level of at least 7%.

- As the business expands and sales related to the high-margin business area RegTech increase, the EBITDA margin is expected to be greatly strengthened with the target of an EBITDA margin of at least 25% and a turnover of SEK 1.2 billion by 2025.

Prospectus and application forms

A prospectus, containing complete terms and conditions of the Offering has today, September 30, 2019, been approved and registered by the Swedish Financial Supervisory Authority. The prospectus is available at Transcendent Groups website (www.transcendentgroup.com) and Avanza's website (www.avanza.se). Application forms are available at the Company's and Avanza's website. For those who are customers at Avanza Bank can make the application through Avanza's internet service.

Advisors

Avanza Bank is the financial advisor. KANTER law-firm is the legal advisor to the Transcendent Group.

About Swedbank Robur

One of Scandinavia's largest mutual fund managers with over SEK 1400 billion of assets under management (AUM) that serves approximately 3.1MM customers in Sweden and 1.1MM in the Baltic Region. Altogether there are approximately 80 investment funds under the Swedbank Robur brand covering all major regions, sectors and asset classes. A few of the funds have a strategy to invest in unlisted companies in a pre-IPO phase. The Microcap fund are one of them.

Microcap fund – was launched in May 2017 and is a concentrated fund which focuses on companies with business models that showcase a high degree of business innovation in the Nordic region.

For more information, please contact:

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