

Zwipe AS intends to carry out a Rights Issue of up to 74 MNOK, 90 % covered in advance

The Board of Directors of Zwipe AS, org. nr 994 553 607, has on November 10, 2019, subject to the approval by an Extraordinary General Meeting, decided to carry out a preferential rights issue of up to MNOK 74 by issuing up to 10 635 525 shares, implying an increase of the Company's share capital of up to NOK 1 063 553.

90 percent of the Rights Issue, amounting to MNOK 67, is already covered through subscription commitments and underwriting commitments from current shareholders and new investors.

Background and purpose

During 2019 Zwipe has made significant technological, commercial and organizational progress. Most notably, Zwipe entered a strategic collaboration with Idemia on a disruptive technology platform for biometric payments. Furthermore, Zwipe successfully completed the prototyping of its in-house Z5 energy harvesting and power management chip, extended its network of card manufacturer clients, delivered according to its first received order for its second generation inlay technology, and was engaged by G+D Mobile Security to provide product design and prototyping for a wearable biometric payment device to be piloted by a leading bank.

The preferential rights issue is carried out in order to secure working capital toward commercialization and scale-up of Zwipe's technology platform. The commercialization efforts will be accompanied by a targeted program to focus and streamline the company's resources.

CEO André Løvestam commented *"This rights issue is planned to extend Zwipe's financial runway all the way to scale-up of biometric cards, and I am pleased that we have achieved a 90% guaranteed subscription. We now see a clear path toward finalizing and commercializing our technology, with the required capital resources to get to that point.*

Zwipe is streamlining its product roadmap and pursuing cost saving opportunities that will reduce the current burn-rate. This has been made possible on the back of the strategic collaboration with Idemia, the global leader in Augmented Identity and one of the world's largest payment card manufacturers, on a disruptive technology platform that we together with our partner Idemia believe is a game changer and a catalyst for growth in the industry. The new platform will integrate and simplify component design, drastically reducing costs of the product itself and the manufacturing process. As a result, a complete biometric payment card cost of below USD 10 is becoming realistic, providing an accelerated path to mass volumes while giving Zwipe a long-term cost leadership position."

Summary of Rights Issue

The subscription price is NOK 7.00 per share. The Company's shareholders have preferential rights to subscribe to the new shares in relation to the number of shares currently held. For each recorded share the shareholder obtains one (1) subscription right. Three (3) subscription rights entitle to subscription of two (2) newly issued shares.

The Record Date for participation in the Rights Issue is planned for December 4, 2019. The subscription period is expected to run from December 5 up to and including December 19, 2019. The Board of Directors shall have the right to extend the subscription period if deemed beneficial. In the event that

not all shares have been subscribed for in the Rights Issue, the Board of Directors, within the maximum scope of the Rights Issue, resolve on the allocation of shares subscribed for without subscription rights.

The Company has obtained subscription commitments and undertaking commitments from a number of current shareholders and external investors. The subscription commitments from existing shareholders, and external investors who will receive subscription rights from major shareholders who cannot participate, amount to 16.1 percent of the Rights Issue. Underwriting commitments amount to an additional 73.9 percent of the Rights Issue. In total, the subscription commitments and underwriting commitments from current shareholders and new investors amount to MNOK 67.0, corresponding to 90.0 percent of the Rights Issue.

Timetable for the Rights Issue

The below timetable for the Rights Issue is preliminary and may be adjusted:

- December 4 – Record Date for participation in the Rights Issue
- December 4 – Estimated date for publication of the prospectus
- December 5 - 17 – Trading in subscription rights
- December 5 - 19 – Subscription period
- December 20 – Estimated day for publication of the outcome of the Rights Issue
- December 27 – Estimated day for payment of the Rights Issue
- January 2, 2020 – Estimated day for delivery of new shares tradable on Merkur Market

Prospectus

Complete information regarding the Rights Issue and information about the Company will be included in the prospectus that is expected to be published on or about December 4, 2019.

Extraordinary General Meeting

To obtain approval to carry out the Rights Issue, the Board of Directors has decided to call for an extraordinary general meeting. The extraordinary general meeting is to be held on December 2, 2019 at 11:30 at the office of Simonsen Vogt Wiig Advokatfirma, Filipstad Brygge 1, Oslo. The notice of the meeting will be published today through a separate press release.

For further information please contact:

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Advisors

In connection with the Rights Issue, Zwipe has appointed Erik Penser Bank AB (publ) as book runner, and Advokatfirmaet Simonsen Vogt Wiig AS as legal advisor.

For more information, please visit <http://www.zwipe.com>

Important information

The information in this press release does not constitute an offer to sell, acquire, subscribe for or otherwise trade in shares or other securities issued by Zwipe AS. No offer will be made in any

jurisdiction in which such offer or solicitation is unlawful or where this would require registration, publication of a prospectus or similar action. Invitation to interested parties to subscribe for shares in Zwipe AS will only be made through the prospectus that Zwipe AS will publish.

There will be no public offer of shares in the United States. The new shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or under the securities law of any state or other jurisdiction of the United States and may not be reoffered, resold, pledged or otherwise transferred, directly or indirectly, except (a) outside the United States in accordance with Rule 903 or Rule 904 of Regulation S, as applicable or (b) pursuant to Rule 144A under the U.S. Securities Act by executing and delivering a separate U.S. investor representation letter to the manager. A person in the United States or who is a "U.S. Person" (within the meaning of Regulation S under the U.S. Securities Act), may not apply for Offer Shares or otherwise take steps in order to subscribe for or purchase Offer Shares unless the subscriber has confirmed to the manager that it is a "qualified institutional buyer" ("QIB") as defined in Rule 144A under the U.S. Securities Act, acquiring the Offer Shares for investments purposes for its own account or for one or more accounts of another/other QIB(s), where it has investment discretion over such accounts in a transaction exempt from the registration requirements under the U.S. Securities Act by executing and delivering a U.S. investor representation letter to the manager. The Offer Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act and may not be deposited into any unrestricted depository receipt facility in the United States, unless at the time of deposit the Offer Shares are no longer "restricted securities".

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