

Announcement

SMART VALOR AG, Switzerland

19 January 2022

SMART VALOR AG intends to carry out an issue of SDRs in connection with its listing of the company's SDRs on Nasdaq First North Growth Market as well as two private placements

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In conjunction with the planned listing of SDR's in SMART VALOR AG ("SMART VALOR" or the "Company") on Nasdaq First North Growth Market ("Nasdaq First North"), the Board of Directors in SMART VALOR intends to resolve, with support of issuing authorization, on an issue of Swedish depository receipts ("SDR") of approximately SEK 21.7 million, to fulfill the distribution requirement under Nasdaq First North rulebook (the "Offering"). In order to cover a possible over-allotment in connection with the Offering, SMART VALOR has undertaken to offer up to 56,000 additional SDRs, corresponding to 15 percent of the total number of SDRs in the Offering (the "Greenshoe Option"). Furthermore, the Board of Directors intends to resolve, with support of issuing authorization and provided that Nasdaq approves the listing, on two private placements of approximately SEK 110.6 million (the "Private Placements"). One (1) SDR represents one (1) underlying share in the Company.

Complete terms of the Offering, Private Placements and Greenshoe Option will be available in the Company Description that is planned to be published on the Company's website, www.smartvalor.com on January 20, 2022.

Nasdaq Stockholm AB has approved SMART VALOR's application for admission to trading of SDRs on Nasdaq First North, provided that the Company meets the conditions in Nasdaq First North's rulebook, such as the distribution requirements, no later than the first day of trading which is expected to be 10 February, 2022.

Olga Feldmeier, Chairman of the Board and co-founder, comments:

"SMART VALOR's retail business, with customers from over 130 countries, has been growing rapidly, resulting in 1.000% annual growth of transaction volume executed through the platform, as of December 2021. To meet the growing demand from financial institutions, we have introduced a B2B offering "Crypto-as-a-Service", enabling banks and fintech companies to offer digital assets to their customers. As one of the industry leaders, we are excited to welcome investors to participate in our continued journey."

Thomas Felber, CTO and Co-founder, noted:

"During the last years, the blockchain technology has been the engine of the biggest growth in the fintech space. The crypto market capitalization has reached USD 2.7 trillion in December 2021, growing 168% per year since 2013, while trading volumes grew by 200% per year in the last 5 years. This industry now stands at its inflection point, broadly seen as a key building block of metaverse where it is going to enable digitalization of assets, payments, ownership record and transfer. The opportunity of early movers such as SMART VALOR lies in new industry fast growth in combination with yet limited competition."

Oliver Feldmeier, Chairman of the Board and co-founder, comments:

"We are thankful for the support and trust we have had so far from existing and new investors. The private placement prior to IPO was met with big interest from the investor side resulting in oversubscription. We are excited to lead the way as the first European digital asset exchange listed on Nasdaq First North and to stand out as one of the early industry movers bringing best-practice governance and investor protection into the crypto industry while democratizing access to investments in this space."

The Offering, Greenshoe Option and Private Placements in brief

- The subscription price in both the Offering and the Private Placements amounts to SEK 57.50 per SDR. This corresponds to a pre-money valuation of the Company of approximately SEK 741.2 million.
- The Offering will be resolved with support of issuing authorization and consists of an issue of a total of not more than 378,000 SDRs, corresponding to SEK 21.7 million before transaction-related costs, and will be directed towards institutional investors and the general public in Sweden. The subscription period for the Offering runs from 21 January to 3 February 2022.
- In order to cover a possible over-allotment in connection with the Offering, SMART VALOR has undertaken to offer up to 56,700 additional SDRs, corresponding to 15 percent of the total number of SDRs in the Offering. The additional SDRs will be provided to the subscribers through a loan of existing SDRs. The loan will be repaid with SDRs which are (i) purchased on Nasdaq First North as stabilization measures (see below under “Stabilizing measures”) and/or (ii) issued by the Board of Directors of SMART VALOR with support of issuing authorization. If no stabilization measures are conducted the Company will be provided with an additional SEK 3.3 million through the issue of SDRs.
- The Private Placements consist of one approximately SEK 36.9 million directed set-off issue and one approximately SEK 73.6 million directed cash issue. Based on the CHF/SEK exchange rate as of 17 January 2022 the set-off issue will consist of not more than 643,392 SDRs which will be set-off for against convertible loans which are denominated in CHF, from co-founders, existing SDR-holders such as Daniel Gutenberg and Venture Incubator, Rainer Schorr, Cyrill Osterwalder as well as new investors such as Coral Capital LLC, Net Jacobsson, Timo Soininen, Jan Risberg, Patrick Schmidt and other. The cash-issue, which generated a large interest and was oversubscribed, amounts to not more than 1,280,000 SDRs and has been directed towards a selection of qualified investors in Sweden and internationally, where Mangold Fondkommission AB is a cornerstone investor.
- The Private Placements are conditional upon Nasdaq's approval of the listing. Provided that such approval is given, the Board of Directors intends to resolve, with support of issuing authorization, on the Private Placements on the aforementioned terms and conditions.
- The proceeds from the Private Placements amount to approximately SEK 36.9 million (set-off issue) and SEK 73.6 million (cash issue) before transaction-related costs. The net proceeds from the Offering and the cash issue are intended to be used, inter alia, for the following activities, in order of priority:
 - Scale-up of B2C business (35 percent of the Offering).
 - Scale-up of B2B business (20 percent of the Offering).
 - Investment in product expansion (20 percent of the Offering).
 - Strengthening of the balance sheet and its trading capacity (25 percent of the Offering).

Lock-up

Current SDR-holders, whose SDRs together amounts to 100 percent of the number of SDRs and votes before the Offering and Private Placements, and approximately 85.7 percent of the number of SDRs and votes after the Offering and Private Placements, have entered into lock-up commitments for a period of at least 12 months.

Preliminary timetable for the Offering

Subscription period: 21 January – 3 February 2022.

Publication of outcome: 7 February 2022.

Settlement date: 8 February 2022.

First day of trading in the Company's SDRs: 10 February 2022.

Stabilizing measures

In conjunction with the Offering, Mangold Fondkommission AB will act as stabilizing manager and can carry out transactions to keep the market price of the SDRs at a level above that which could otherwise prevail in the open market. Such stabilization transactions may be conducted on Nasdaq First North, on the OTC market or otherwise, at any time during the period beginning on the first day of trading in the Company's SDRs on Nasdaq First North and ending no later than 30 calendar days thereafter.

The stabilizing manager has no obligation to take any stabilization measures and there is no guarantee that stabilization measures will be taken. Under no circumstances will transactions be carried out at a price higher than that stated in the Offering. The stabilizing manager may exercise the Green Shoe Option and over-allot SDRs in order to facilitate the execution of stabilization transactions.

Furthermore, the stabilization transactions, if commenced, may be terminated at any time without notice and will in any case be terminated no later than by the end of the aforementioned 30-day period. By the end of the seventh trading day following the execution of stabilization transactions, the stabilizing manager shall publish that stabilization transactions have been carried out, in accordance with Article 5 (4) of EU Market Abuse Regulation 596/2014 and Commission Delegated Regulation (EU) 2016/1052. Within one week following the end of the stabilization period, the stabilizing manager will publish whether or not stabilization was performed, the date on which stabilization was initiated, the date on which stabilization was last performed, and the price range within which stabilization was performed for each of the dates on which stabilization transactions were executed.

Share capital, SDRs and dilution

Subject to full subscription in the Offering and Private Placements, and given that the Greenshoe Option is fully utilized, the share capital in the Company will increase by approximately CHF 23,580.92, from CHF 128,908.02 to CHF 152,488.94 and the number of SDRs will increase by 2,358,092 SDRs, from 12,890,802 SDRs to 15,248,894 SDRs. The dilution for existing holders of SDRs amounts to approximately 15.5 percent.

The above numbers are preliminary and subject to the applicable CHF/SEK exchange rate applied at the date of issue.

For additional information, please contact

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Advisers

Mangold Fondkommission AB is financial adviser and Eversheds Sutherland Advokatbyrå AB is legal adviser to SMART VALOR in connection with the listing on Nasdaq First North as well as the Offering and Private Placements.

Certified Adviser

Mangold Fondkommission AB is acting as the Company's Certified Adviser and can be reached on phone number +46 8 5030 1550 and ca@mangold.se.

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The information was submitted for publication, through the agency of the contact person set out above, on 19 January, 2022, 19:50 CET.

About SMART VALOR

SMART VALOR is a Swiss company which acts as trusted gateway to blockchain technology for investors and institutions. It operates a publicly accessible digital asset exchange, custody and asset management and offers its technology as Crypto-as-a-Service to financial institutions. SMART VALOR was one of the first crypto companies to receive a financial intermediary status in Switzerland in 2018. In 2020, Financial Market Authority of Liechtenstein gave SMART VALOR exchange and custodian authorization under the new blockchain act, one the most advanced regulatory frameworks in Europe.

Important information

This announcement is not and does not form a part of any offer for selling, or a request to submit an offer to buy or acquire shares, SDRs or other securities in the Company.

Copies of this announcement are not being made and may not be distributed or sent into the United States, Australia, Canada, Hong Kong, Japan, New Zealand, Singapore, South Africa, South Korea or any other jurisdiction in which such distribution would be unlawful or would require registration or other measures.

The securities referred to in this announcement have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), and accordingly may not be offered or sold in the United States absent registration or an exemption from the registration requirements of the Securities Act and in accordance with applicable U.S. state securities laws. The Company does not intend to register any offering in the United States or to conduct a public offering of securities in the United States.

Matters discussed in this announcement may constitute forward-looking statements. Forward looking statements are statements that are not historical facts and may be identified by words such as "believe", "expect", "anticipate", "intends", "estimate", "will", "may", "continue", "should" and similar expressions. This applies in particular to statements relating to future results, financial position, cash flow, plans and expectations of the Company's operations and management, future growth and profitability, general economic and regulatory environment and other factors affecting the Company, many of which are based on further assumptions, such as no changes in existing political, legal, fiscal, market or economic conditions or applicable law (including but not limited to accounting principles, accounting methods and tax policies), which may or may not be of importance to the Company results or its ability to operate. Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and are beyond its control. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. Potential investors should therefore not attach undue confidence to the forward-looking information herein, and potential investors are urged to read the parts of the company description that include a more detailed description of factors that may affect the Company's operations and the market in which the Company operates.

The information, opinions and forward-looking statements contained in this announcement speak only as at its date and could be subject to change without notice.