

STATEMENT FROM THE BID COMMITTEE OF ZETADISPLAY REGARDING THE PUBLIC OFFER FROM HANOVER

THE BID COMMITTEE UNANIMOUSLY RECOMMENDS THE SHAREHOLDERS TO ACCEPT THE OFFER FROM HANOVER.

This statement is made by the bid committee of the board of directors of ZetaDisplay AB (publ) ("ZetaDisplay") pursuant to Rule II.19 of the Nasdaq Stockholm Takeover Rules (the "Takeover Rules").

The Offer

Today, 28 June 2021 Hanover Active Equity Fund II S.C.A. SICAV-RAIF through Alpha Acquisition AB (the "Offeror") announced a public offer of SEK 27 in cash per share to the shareholders of ZetaDisplay (the "Offer").

The Offer price represents a premium of:

- 68 per cent in relation to the closing price for ZetaDisplay's ordinary shares on Nasdaq Stockholm on 30 March 2021, which was the last day of trading prior to ZetaDisplay's announcement of a review of strategic alternatives for ZetaDisplay;
- 27 per cent in relation to the closing price for ZetaDisplay's ordinary shares on Nasdaq Stockholm on 24 June 2021, which was the last day of trading prior to the announcement of the Offer; and
- 47 per cent in relation to the volume weighted average price for ZetaDisplay's ordinary shares on Nasdaq Stockholm during a period of 180 trading days prior to the announcement of the Offer.

The acceptance period for the Offer is expected to commence on 16 July 2021 and end on 3 September 2021. The acceptance period may be extended. Completion of the Offer is not subject to any conditions to completion.

For further information regarding the Offer, see www.hanoverinvestors.com/microsite-disclaimer-ensw.

The process undertaken by the bid committee to evaluate the Offer

On 31 March 2021 the board of directors announced that it had decided to conduct a review of strategic alternatives for ZetaDisplay with the purpose of creating best possible value for the shareholders. Within the scope of the review, the board of directors has received non-binding proposals from potential bidders.

In evaluating the Offer, the bid committee has considered a number of factors which the committee considers relevant. These factors include, but are not limited to, ZetaDisplay's current strategic and financial position, prevailing market conditions and operational opportunities and challenges, the company's expected future development and opportunities and risks related thereto and valuation methods normally used to evaluate public offerings of listed companies, including how the Offer values ZetaDisplay in relation to comparable listed companies and comparable transactions, bid premiums in previous public takeover offers on Nasdaq Stockholm, the stock market's expectations regarding the company and the bid committee's view of the company's value based on its expected future dividends and cash flows. Not least, the bid committee has taken into account that the Offer is the result of a competitive process.

Upon written request by the Offeror, the bid committee has permitted the Offeror to review limited information for confirmatory purposes in connection with the preparations for the Offer. No inside information has been provided in connection with the review.

The shareholders Nidoco AB, Ningamma AB, Abrax As Holding AB, Mats Johansson, Anders Moberg and Wealins S.A, with a total of 39.7 per cent of the shares, have undertaken to accept the Offer irrespective of whether or not a higher competing offer is made. Furthermore, the Offeror has an agreement with these shareholders to buy the respective shareholder's shares in ZetaDisplay for SEK 27 in cash per share if any such shareholder so requests. For further information regarding the agreements with the shareholders, including an agreed right of a profit split, please see the Offeror's press release regarding the Offer. Board members Mia Alholm, Mats Johansson, Anders Moberg and Anders Pettersson, due to the acceptance commitments, which cause a conflict of interest, have subsequently not participated and will not participate in the board of directors' handling of or decisions on matters related to the Offer. Instead a bid committee has been formed, consisting of the remaining board members, Ingrid Jonasson Blank, Trond Gunnar Christensen, Finn Følling and Mats Leander. Ingrid Jonasson Blank is the chairman of the committee.

The bid committee has engaged Danske Bank Corporate Finance as financial advisor and Vinge as legal advisor in relation to the Offer. The bid committee has also engaged Ernst & Young AB ("EY") to provide a fairness opinion regarding the Offer. The opinion from EY is attached.

The bid committee's recommendation

When the bid committee values the overall potential and compares it with the consideration in the Offer, the bid committee concludes that the shareholders through the Offer will be well compensated for the company's potential, taking into account the time it takes to implement, and the various risks of not being able to fully implement, the company's business plan.

In its fairness opinion, EY considers that the Offer is fair from a financial perspective.

The bid committee therefore unanimously recommends the shareholders of ZetaDisplay to accept the Offer.

Effects on ZetaDisplay and its employees

Under the Takeover Rules, the board of directors is required to present its opinion on the effects the implementation of the Offer may have on ZetaDisplay, especially employment, and its view on the Offeror's strategic plans for the company and the impact these could be expected to have on employment and on the locations where ZetaDisplay conducts its business. In its press release announcing the Offer, the Offeror states:

"Hanover is impressed with, and places great value on, ZetaDisplay's organisation and management team, and expects the Offer to support growth and create long-term positive effects for employees, customers and other stakeholders impacted by the operations of ZetaDisplay. No decisions have been made that are expected to cause the Offer to have an impact on ZetaDisplay's organisation, management team or employees, including their terms of employment or on the locations of ZetaDisplay's operations."

The bid committee assumes that the above statement by the Offeror is correct and has no reason to take a different view.

This statement by the bid committee of the board of directors of ZetaDisplay shall be governed by and construed in accordance with substantive Swedish law. Disputes arising from this statement shall be settled exclusively by Swedish courts.

Malmö, 28 June 2021

The bid committee of the board of directors of ZetaDisplay AB (publ)

For questions

Please contact the chairman of the bid committee, Ms Ingrid Jonasson Blank, through ZetaDisplay's CFO Jacob Stjernfält

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This is information that ZetaDisplay AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 08:10 a.m. (CEST) on 28 June 2021.

About ZetaDisplay

ZetaDisplay acts at the heart of digital transformations in physical environments. We contribute to nudging peoples' behaviour at the point-of-decision in retail environments, public spaces and workplace environments. Our solutions are known as Digital Signage that we develop and offer as SaaS-solutions. We are a European leader and intend to drive the further consolidation of the market organically and through acquisitions.

ZetaDisplay has its head office in Malmö. The company generates revenues of approximately MSEK 450 and employs 200 staff at ten offices in six European countries and the USA. In total, the company handles more than 70,000 installations on over 50 markets. The share is listed on Nasdaq Stockholm [ZETA]. More information at ir.zetadisplay.com.

ZetaDisplay AB
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27 June 2021

Fairness opinion letter

ZetaDisplay AB (“the Company” or “ZetaDisplay”) has received a bid for the Group corresponding to a share price of SEK 27.

ZetaDisplay has engaged Ernst & Young AB (“EY”) as an independent valuation expert for the purpose of issuing an assessment of the fairness of the Offer from a financial point of view for the shareholders of ZetaDisplay (“Fairness Opinion”).

In order to provide this Fairness Opinion, we have performed the analyses deemed necessary, giving consideration, inter alia, to the following information:

- Historical development of ZetaDisplay’s share price and valuation multiples
- Public financial reports from ZetaDisplay
- Non-public financial information regarding ZetaDisplay, such as a commercial strategy report
- Equity analyst reports
- Public information about comparable companies
- Interviews with Zetadisplay’s management

In addition, we have performed the value calculations and financial analyses that we have deemed necessary to provide the opinion below.

In our assessment we have relied upon the correctness and completeness of the information provided by ZetaDisplay without independent verification. We are not responsible for conclusions based on erroneous or incomplete information provided to us.

Our assignment was finalised on 23 June 2021. Events or information occurring after this date have not been subject to consideration.

EY is retained by the Company to provide this Fairness Opinion in connection with the Offer and will receive a fixed fee for its services. EY’s fee is not contingent upon, or related to, the size of the Offer consideration, or whether the Offer is accepted.

We are providing this Fairness Opinion to ZetaDisplay who may use this document only in its entirety in the communication with the shareholders of ZetaDisplay concerning the Offer. Our opinion expressed below must not be construed as a recommendation as to whether the shareholders of ZetaDisplay should accept the Offer.

Based on the work performed by EY, and on the statements above, we are of the opinion that the Offer, on the date of issue of this document, is fair from a financial point of view for the shareholders of ZetaDisplay.

Yours sincerely,

Ernst & Young

Michel Eriksson
Partner