

PRESS RELEASE

ZETADISPLAY ACQUIRES GAUDDI BV— ACCELERATING INTERNATIONAL EXPANSION

Malmö-ZetaDisplay AB (publ) (Nasdaq Stockholm: ZETA) acquires Gaudi BV with net sales of SEK 49 million (2018), recurring revenues (SaaS) of 41% and an EBITDA of SEK 8,2 million. Gaudi will be integrated into ZetaDisplay BV with effect from October 10th, 2019. Through the acquisition, ZetaDisplay also becomes the leading Digital Signage player in the BeNeLux, accelerating its international expansion. Gaudi serves also a customer base in the USA, with an own office in Baltimore.

The transaction includes an upfront payment in cash of SEK 52,7 million and an additional performance consideration based on full year results for 2019 of up to SEK 18,4 million. The acquisition is financed through available cash. On a proforma basis, ZetaDisplay shows after the finalized acquisition annualized net sales of SEK 488 million, an EBITDA of SEK 56 million and contracted services of SEK 143 million equaling to 29% of net sales.

"We are in a market with strong underlying growth where increased customer demands on international footprint and managing complex Digital Signage solutions trigger a consolidation. Gaudi represents a vital complement to our existing operations. We aim for a scalable integration and operation as we share similar software and a complementary customer base. This will create direct value to our customer base and enhance our market position", comments Per Mandorf, CEO and President of ZetaDisplay. "We have a strong financial position as consequence of the recent launch of a bond loan of SEK 300 million and aim to strengthen our leading position on the European market, where further acquisitions are part of this strategy", concludes Per Mandorf.

"ZetaDisplay BV and Gaudi BV are two companies with unique and complementary offerings. Together we can develop into a full-service provider with an increased international presence. We can offer complete digital signage solutions in the forefront of technology to existing and new customers", says Theo Wieckardt, CEO Gaudi BV. The company management with Theo Wieckardt and Edo Sleutelberg will remain working for the combined operations.

Transactional details

ZetaDisplay BV has acquired all shares in Gaudi BV against a cash payment. If certain defined performance thresholds are achieved for the full year 2019, a maximum additional purchase price of approximately SEK 18,4 million could be paid. ZetaDisplay has the right to pay up to approximately SEK 10,8 million of the additional purchase price in the form of ordinary shares in ZetaDisplay AB.

About Gaudi

Gaudi BV was founded in 1998 and is the second largest supplier of Digital Signage solutions in the BeNeLux with 25 employees and sales in more than 30 countries. The company is based in Moordrecht, near Rotterdam in the Netherlands and is also represented with an own office in Baltimore, USA.

Malmö, 10 October 2019

This information is such information that ZetaDisplay AB (publ) is required to disclose under the EU market abuse regulation. The information was provided, by Per Mandorf, for publication on 10 October 2019 at 08:00 am.

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About ZetaDisplay

ZetaDisplay provides visual communication solutions to influence behavior in a physical store or office environment. The company is built on a profound understanding of human behavior in decision-making situations. The total offering includes concept development software programming, deployment as well as technical contracted services. ZetaDisplay is based in Malmö, Sweden. The company has annual net sales 400 MSEK and employs 140 employees at eight offices in six European countries. The company controls and maintains today more than 50 000 installations at customers on 50 markets. The share is listed on the NASDAQ OMX Stockholm Stock Exchange [ZETA].

More information at www.zetadisplay.com