

Invitation to subscribe for shares in Zutec Holding AB (publ)



Financial Adviser



Placing Agent



Important Information about Nasdaq First North

Nasdaq First North is an alternative marketplace operated by an exchange within the Nasdaq group. Companies on Nasdaq First North are not subject to the same rules as companies on the regulated main market. Instead they are subject to a less extensive set of rules and regulations adjusted to small growth companies. The risk in investing in a Company on Nasdaq First North may therefore be higher than investing in a company on the main market. All Companies with shares traded on Nasdaq First North have a Certified Adviser who monitors that the rules are followed. The Exchange approves the application for admission to trading.

Important Information

This prospectus (the “**Prospectus**”) has been prepared by the Board of Directors of Zutec Holding AB (publ), corporate registration number 559136-0317, (the “**Company**”) in relation to the public offering of newly issued shares in the Company and the application for listing on Nasdaq First North (the “**Offering**”). The “**Group**” refers to Zutec Holding AB (publ) and its direct and indirect subsidiaries.

The Prospectus has been prepared in accordance with the Swedish Financial Instruments Trading Act (1991:980) (Sw. lagen (1991:980) om handel med finansiella instrument), directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003, Commission regulation (EC) No 809/2004 of 29 April 2004 implementing Directive 2003/71/EC and Commission Delegated Regulation (EU) No 486/2012 of 30 March 2012 amending Regulation (EC) No 809/2004.

The Prospectus and the Offering are governed by Swedish law. The courts of Sweden have exclusive jurisdiction to settle any conflict or dispute arising out of or in connection with the Prospectus, the Offering or other related issue. The Prospectus has been prepared in both Swedish and English language versions. In the event of any discrepancy between the two language versions, the Swedish version shall prevail. The Swedish version of the Prospectus has been approved and registered by the Swedish Financial Supervisory Authority (Sw. Finansinspektionen) in accordance with the provisions of Chapter 2, section 25 and 26 of the Swedish Financial Instruments Trading Act (1991:980). The approval and registration do not imply that the Swedish Financial Supervisory Authority guarantees that statements of facts in the Prospectus are accurate or complete. This Prospectus will be passported into Ireland, Finland and Norway, in accordance with Chapter 2, section 35 of the Swedish Financial Instruments Trading Act (1991:980).

The Company has not taken and will not take any action to permit a public offering in any jurisdiction other than Sweden. No subscription rights, interim shares or new shares (“**Securities**”) may be offered, subscribed, sold or transferred, directly or indirectly, in or to the United States except for in accordance with the applicable exemptions set forth in the registrations requirements in the United States Securities Act 1933, as amended (the “**Securities Act**”). The Offering is not directed to persons resident in the United States, Australia, Canada, New Zealand, Hong Kong, Japan, South Africa or other countries where participation would require additional prospectus, registration or measures other than those pursuant to Swedish law. The Prospectus may consequently not be distributed in or to any jurisdiction where the Offering or distribution of the Prospectus, would require such measures or would be unlawful. Subscription or acquisition of Securities in violation of the restrictions mentioned above may be invalid. Recipients of this Prospectus are required to inform themselves about, and comply with, such restrictions. Any failure to comply with the restrictions may result in violation of applicable securities regulations. The Company reserves the right, at its discretion, to reject or revoke any exercise of subscription rights, interim shares or new shares in the Company which the Company or its advisors deem may involve a breach or violation of any legislation, rule or regulations.

An investment in Securities is associated with risks, see the chapter “**Risk Factors**”. When investors make investment decisions, they must rely on their own evaluation of the Company pursuant to this Prospectus, including the merits and risks. Prior to making an investment decision, potential investors should engage their own advisors and carefully evaluate and consider the investment decision. Investors may only rely on information in this Prospectus and any supplements to this Prospectus. No person has been authorized to give any information or to make any statements other than those set forth in this Prospectus; if such statements are made, the information contained within the statements shall not be considered to have been approved by the Company or Remium Nordic AB, corporate registration number 556101-9174 (“**Remium**”), and neither of whom shall be responsible for such statements or information. Neither the publication of this Prospectus, nor any transactions carried out as a consequence thereof shall, under any circumstances, imply that the information contained in this Prospectus is correct and accurate at any date other than the date of the publication of this Prospectus or that there has been no change in the Company's activities following this date.

Remium acts as the manager and financial advisor to the Company in connection with the Offering. Against agreed remuneration upon completed transaction, Remium has assisted the Company in designing the overall transaction structure as well as the preparation of this Prospectus. Remium has relied on information provided by the Company, and since all information in this Prospectus originates from the Company, Remium does not accept any liability in relation to the shareholders of the Company and other direct or indirect economic consequences resulting from investment decisions or other decisions wholly or partially based on information in the Prospectus. Remium represents the Company and no one else in connection with the Offering. Remium is not responsible to anyone else than the Company for providing advice in connection with the Offering or any other matter which is referred to in this Prospectus.

Forward-looking statements and market data

Information set forth in the Prospectus contains forward-looking statements which represents the Company's current view on future events and financial and operational development. These forward-looking statements include all matters that are not historical facts. Words such as “anticipates”, “estimates”, “expects”, “projects”, “intends”, “plans”, “believes”, “may”, “will” and words or terms of similar substance used in connection with any discussion of future operating results or financial performance and which are not based on historical facts, identify forward-looking statements. Forward-looking statements include, by their nature, risks and uncertainties because they are related to events, and are dependent on circumstances, that may or may not occur in the future. Forward-looking statements are not a guarantee of future results or developments and actual outcomes may differ materially from the forward-looking statements set forth in this Prospectus. Except as required by the federal securities laws, the Company undertakes no obligation to release publicly any revisions to any forward-looking statements due to new information, future events or similar circumstances other than those as required by applicable laws and regulations.

Factors that may result in any difference in the Company's and the Group's actual future result and development from those set forth in the forward-looking statements include, but are not limited to, those described under the section “**Risk Factors**”. Forward-looking statements in this Prospectus apply only as per the date of this Prospectus.

The Prospectus contains information from third parties in the form of industry and market information, statistics and estimates. Some information on the market shares and other statements contained in the Prospectus regarding the industries in which the Company operates and the Company's position in relation to its competitors is not based on published statistics or other information from independent third parties. Such information and statements rather reflect the Company's best estimates based on information obtained from trade and business organisations and other contacts in the industry in which it competes, as well as information published by the Company's competitors. The Company believes that such information is useful to investors' understanding of the industry in which the Company operates and the Company's position in the industry. However, the Company has no access to the facts and assumptions behind the numbers, market information and other information obtained from publicly available sources. Although the information has been reproduced correctly and the Company believes that its internal analyses are reliable, the Company has not verified the information by any independent sources.

The Company confirms that any information provided by a third party has been reproduced correctly. As far as the Company is aware and has been able to ascertain from information published by such third party, no facts have been omitted which would mean that the reproduced information is inaccurate or misleading.

Presentation of financial information

Certain financial and other information presented in the Prospectus may have been rounded for the purpose of making the Prospectus more easily accessible for the reader. As a result, the figures in certain columns may not exactly add up with the stated total amount. Other than as expressly stated herein, no financial information in the Prospectus has been audited or reviewed by the Company's auditor.

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The Offering in brief

The Offering comprises a maximum of 2,083,334 newly issued shares in Zutec Holding AB (publ). The Offering is directed to the public in Sweden and institutional investors in Sweden and abroad.

The Oversubscription Issue comprises a maximum of 312,500 newly issued shares. The shares issued in the Oversubscription Issue shall have the same price as those in the Offering.

Offering price

The Offering price is SEK 24 per share. No brokerage commission will be charged. Minimum subscription shall comprise 250 shares, corresponding to SEK 6,000.

Important dates

Subscription period: 20 February 2018 to 5 March 2018

Estimated settlement date: 9 March 2018

Estimated first day of trading on First North: 15 March 2018

Financial Calendar

Kvartalsrapport	15 maj 2018
Bokslutskommuniké	31 augusti 2018
Årsredovisning	28 september 2018
Årsstämma	23 oktober 2018

Other information

ISIN-code:	SE0010869487
Share ticker symbol:	ZUTEC

Certain definitions

"Zutec" or the "Company" refers to Zutec Holding AB (publ) (corporate registration number 559136-0317), or, depending on the context, the group in which Zutec Holding AB (publ) is the parent company.

"Group" refers to Zutec Holding AB (publ) and its direct and indirect subsidiaries.

"Remium" refers to Remium Nordic AB (corporate registration number 556101-9174).

"MAQS" refers to the law firm MAQS Advokatbyrå Stockholm AB (corporate registration number 556950-7659).

"Hagberg & Aneborn" refers to the issuing agent Hagberg & Aneborn Fondkommission AB (corporate registration number 559071-6675).

"First North" refers to the multilateral trading facility Nasdaq First North.

"Listing" refers to the listing of Zutec's shares on First North.

"Offering" refers to the offer to subscribe for shares in the Company in conjunction with the Listing.

"Oversubscription Issue" refers to the additional issue of shares that may be conducted, in accordance with an agreement between the Company and Remium, if the Offering is oversubscribed.

"Prospectus" refers to this prospectus which has been prepared in relation to the Offering.

"SEK" refers to Swedish krona.

"USD" refers to United States dollar.

"AUD" refers to Australian dollar.

"EUR" refers to euro.

"HKD" refers to Hong Kong dollar.

"GBP" refers to British pound sterling.

SUMMARY

Summaries consist of disclosure requirements listed in a number of "Elements". These Elements are numbered in sections A – E (A.1 – E.7). This summary contains all of the Elements required in a summary of this type of security and issuer. Since certain Elements are not required in all types of prospectuses, there may be gaps in the numbering of Elements. Even if an Element must be included in the summary with respect to this type of security and issuer, it is possible that no relevant information regarding that Element can be provided. In such cases, the information has been replaced with a brief explanation of the Element and the designation "not applicable".

Section A – Introduction and warnings		
A.1	<i>Introduction and warnings</i>	The following summary should be regarded as an introduction to the Prospectus. Any decision to invest in the securities shall be based on an assessment of the Prospectus in its entirety by the investor. If a claim relating to information contained in the Prospectus is brought before a court, the plaintiff investor might, under national legislation of the member states, have to bear the costs of translating the Prospectus before the legal proceeding are initiated. Civil liability may only be imposed on those persons who have tabled and/or translated the summary, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not, when read together with other parts of the Prospectus, provide key information to help investors when they consider investing in such securities.
A.2	<i>Consent for use of the Prospectus by financial intermediaries</i>	Not applicable; there are no financial intermediaries.
Section B - Issuer and any guarantors		
B.1	<i>Company and trading name</i>	The Company's legal and commercial name is Zutech Holding AB (publ). The Company's corporate registration number is 559136-0317.
B.2	<i>Issuer's registered office and corporate form</i>	The Company is a public limited company (sw. publikt aktiebolag) with its registered office in Stockholm. The Company was incorporated in Sweden and operates pursuant to Swedish law. The Company's legal form is governed by the Swedish Companies Act (2005:551).
B.3	<i>Description of the issuer's operations and markets</i>	<p>Zutech develops and markets cloud-based software services ("SaaS") for the construction and facilities management services sector. The Company's products help customers to increase productivity and cost efficiency. Zutech offers solutions for project management, data and document collaboration, data enriched 3D-models, defect management, project handover and the operations and maintenance of buildings. The Company's main product is the Zutech Platform, which is a cloud-based data base. The Company markets several modules which can be connected to the platform to increase its functionality according to the needs of the customer.</p> <p>Among the Company's clients are some of the world's largest construction firms, which have used Zutech's solutions on many different projects. Typical projects that Zutech's services can be used for are airports, ports, hospitals, universities, public buildings and large commercial projects.</p> <p>The Company's revenue model is based on licensing fees for the use of software. The fee is invoiced in even instalments during the construction phase of a project, which leads to recurring and stable revenue. Additional income often comes from fees for software customization, training and support. When a project is completed, the client can opt to continue to store its data with Zutech and use relevant modules for operations and maintenance of their building. These contracts have long life spans, which leads to highly stable revenues with sizeable profit margins.</p> <p>The Company's operations are mainly conducted from Dublin, Ireland. The sales and marketing efforts are coordinated from Dublin to a number of countries. Zutech has partnerships for marketing and sales in select markets. Partners are currently engaged in Australia through a partly owned subsidiary and in Italy through an external partner.</p>
B.4a	<i>Trends</i>	The construction sector is the second least digitized industry in the world and has long been lagging the economy as a whole in terms of productivity growth. The Company believes that digitization has the potential to drive the sectors' productivity resurgence. The sector has begun to adopt digital tools: respondents in various surveys state that they are planning on increasing their investments in software and they believe that this will yield positive results in terms of efficiency and cost savings.

		<p>The Boston Consulting Group estimates that the total savings that can be made in the construction sector through digitization could amount to between 1 and 1.7 trillion USD globally by the year 2025. The trend can also be discerned in the Company's rapidly growing revenues.</p> <p>A positive macroeconomic environment can also contribute to the growth of the Company. Many major infrastructure projects were cancelled or delayed during and after the financial crises, which has led to outdated infrastructure and large investment needs. Many countries have now recovered and the investments have increased, especially in growth markets.</p>																																																																																																									
B.5	Description of the Group and the issuer's position within the Group	<p>The Group consists of six (6) companies. Zutech Holding AB (publ), which is the parent company of the Group, owns 100 per cent of the shares in Zutech Inc. (Ireland) Ltd., corporate registration number 313471. Zutech Inc. (Ireland) Ltd. owns 100 per cent of the shares in Zutech Inc. (UK) Ltd., corporate registration number 04363905, Zutech (Asia) Ltd., corporate registration number 1257208, 56 per cent of the shares in Zutech (Australia) Pty Ltd., corporate registration number ACN 129531531 and 49 per cent of the shares in Zutech Gulf LLC, corporate registration number 77258-1. Zutech Gulf LLC is currently under voluntary liquidation, which is expected to be completed during February 2018. The Group's operations are mainly conducted through Zutech Inc. (Ireland) Ltd., headquartered in Dublin, Ireland.</p>																																																																																																									
B.6	Ownership structure	<p>As of the date of this Prospectus, the Company has nine shareholders. The Company has one class of shares and each share in the Company entitles the shareholder to one (1) vote at the general meeting. Each shareholder is entitled to vote for all shares in the Company held by the shareholder. The below table describes the ownership structure of Zutech immediately prior to the Offering, after the Offering and after the Offering and the Oversubscription Issue. Further, the table below shows shareholders whose holdings in the Company exceeded 5 per cent of capital or votes. As far as the Company is aware there is no, at the date of this Prospectus, direct or indirect ownership or control of the Company or any shareholders, other than what is described in the table below, which has an interest over 5 per cent in the Company's capital or voting rights.</p> <table><tr><th colspan="3">Prior to the Offering</th><th colspan="2">After the Offering</th><th colspan="2">After the Offering and the Oversubscription Issue</th></tr><tr><th>Shareholder</th><th colspan="2">Shareholdings</th><th colspan="2">Shareholding if the Offering is fully subscribed</th><th colspan="2">Shareholding if the Offering and the Oversubscription Issue are fully subscribed</th></tr><tr><td></td><th>Shares</th><th>Per cent</th><th>Shares</th><th>Per cent</th><th>Shares</th><th>Per cent</th></tr><tr><td>Brian McGuire</td><td>2 405 630</td><td>48.11 %</td><td>2 405 630</td><td>33.96 %</td><td>2 405 630</td><td>32.53 %</td></tr><tr><td>Thomas Boland</td><td>621 730</td><td>12.43 %</td><td>621 730</td><td>8.78 %</td><td>621 730</td><td>8.41 %</td></tr><tr><td>Michael White</td><td>478 260</td><td>9.57 %</td><td>478 260</td><td>6.75 %</td><td>478 260</td><td>6.47 %</td></tr><tr><td>Conor O'Brien</td><td>334 780</td><td>6.70 %</td><td>334 780</td><td>4.73 %</td><td>334 780</td><td>4.53 %</td></tr><tr><td>Noel Matthews</td><td>320 430</td><td>6.41 %</td><td>320 430</td><td>4.52 %</td><td>320 430</td><td>4.33 %</td></tr><tr><td>Brendan O'Riordan</td><td>286 950</td><td>5.74 %</td><td>286 950</td><td>4.05 %</td><td>286 950</td><td>3.88 %</td></tr><tr><td>Sinead Branagh</td><td>239 130</td><td>4.78 %</td><td>239 130</td><td>3.38 %</td><td>239 130</td><td>3.23 %</td></tr><tr><td>Enterprise Ireland</td><td>217 438</td><td>4.35 %</td><td>217 438</td><td>3.07 %</td><td>217 438</td><td>2.94 %</td></tr><tr><td>Stephen Tarpey</td><td>95 650</td><td>1.91 %</td><td>95 650</td><td>1.35 %</td><td>95 650</td><td>1.29 %</td></tr><tr><td>New shareholders in connection with the Offering</td><td>-</td><td>-</td><td>2 083 334</td><td>29,41 %</td><td>2 083 334</td><td>28,17 %</td></tr><tr><td>New shareholders in connection with the Oversubscription Issue</td><td>-</td><td>-</td><td>-</td><td>-</td><td>312 500</td><td>4,23 %</td></tr><tr><td>Total</td><td>5 000 000</td><td>100.00 %</td><td>7 083 334</td><td>100.00 %</td><td>7 395 834</td><td>100.00 %</td></tr></table>	Prior to the Offering			After the Offering		After the Offering and the Oversubscription Issue		Shareholder	Shareholdings		Shareholding if the Offering is fully subscribed		Shareholding if the Offering and the Oversubscription Issue are fully subscribed			Shares	Per cent	Shares	Per cent	Shares	Per cent	Brian McGuire	2 405 630	48.11 %	2 405 630	33.96 %	2 405 630	32.53 %	Thomas Boland	621 730	12.43 %	621 730	8.78 %	621 730	8.41 %	Michael White	478 260	9.57 %	478 260	6.75 %	478 260	6.47 %	Conor O'Brien	334 780	6.70 %	334 780	4.73 %	334 780	4.53 %	Noel Matthews	320 430	6.41 %	320 430	4.52 %	320 430	4.33 %	Brendan O'Riordan	286 950	5.74 %	286 950	4.05 %	286 950	3.88 %	Sinead Branagh	239 130	4.78 %	239 130	3.38 %	239 130	3.23 %	Enterprise Ireland	217 438	4.35 %	217 438	3.07 %	217 438	2.94 %	Stephen Tarpey	95 650	1.91 %	95 650	1.35 %	95 650	1.29 %	New shareholders in connection with the Offering	-	-	2 083 334	29,41 %	2 083 334	28,17 %	New shareholders in connection with the Oversubscription Issue	-	-	-	-	312 500	4,23 %	Total	5 000 000	100.00 %	7 083 334	100.00 %	7 395 834	100.00 %
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B.7	Financial information in summary	<p>The Company was registered with the Swedish Companies Registration Office (Sw. Bolagsverket) on 29 November 2017 and had until 13 February 2018 not conducted any operations. On 3 January 2018, the Company was acquired by Zutech Inc. (Ireland) Ltd. On 19 January 2018, the current shareholders of the Company acquired all outstanding shares in the Company from Zutech Inc. (Ireland) Ltd. on a pro rata basis in relation to their holdings in Zutech Inc. (Ireland) Ltd. On 13 February 2018, the current shareholders of the Company transferred all their shares in Zutech Inc. (Ireland) Ltd. to the Company by way of a share issue in kind. In this Element, the Company's financial development for the period 2017-11-29 – 2017-12-31 is presented. No operations were conducted during this period, which is reflected in the Company's financial information. The Company's financial information for the period 2017-11-29 – 2017-12-31 has been audited by the Company's auditor. The audited report for the period 2017-11-29 – 2017-12-31 was produced in accordance with the Swedish Annual Reports Act (1995:1554) (Sw. Årsredovisningslagen (1995:1554)) and RFR 2 – accounting for legal entities (Sw. redovisning för juridiska personer).</p>																																																																																																									

Income statement Zutec Holding AB		2017-11-29 - 2017-12-31
		(Audited)
		SEK
Turnover		-
Cost of goods sold		-
Gross profit		-
Sales and administrative expenses		-
Other operating income		-
Operating profit		-
Net financial expense/income		-
Profit before taxes		-
Taxes		-
Profit for the period		-
Balance sheet Zutec Holding AB		2017-12-31
		(Audited)
		SEK
Tangible assets		-
Intangible assets		-
Financial assets		-
Current assets		-
Cash and cash equivalents		500 000
Total assets		500 000
Shareholders' equity		500 000
Long term liabilities		-
Current liabilities		-
Total shareholders' equity and liabilities		500 000
Cash flow statement Zutec Holding AB		2017-11-29 - 2017-12-31
		(Audited)
		SEK
Cash flow from operations		-
Cash flow from investment activities		-
Cash flow from financing activities		-
Registration of share capital		500 000
Cash flow for the period		500 000
Cash balance at the beginning of the period		-
Cash balance at the end of the period		500 000

Supplementary financial information for Zutec Inc. (Ireland) Ltd. is presented below. The information for the fiscal years 2017 and 2016 is sourced from the company's audited annual reports for each respective year. The information for the six-month period ended 2017-12-31 is sourced from a financial report that was reviewed by Mazars Ireland.

The annual reports and the financial report was prepared in accordance with applicable laws in Ireland and generally accepted accounting principles in Ireland (Ireland and UK GAAP), which includes FRS 102, which is issued by the Financial Reporting Council. Note that the company was exempted from

preparing consolidated reports, which is why the financial statements do not reflect the company's holdings in subsidiaries. Both annual reports for Zutech Inc. (Ireland) Ltd. were audited by the company's auditor at the time, HLB Ryan Limited.

The financial reports for the subsidiaries, including Zutech Inc. (Ireland) Ltd., are available on the Company's website (www.zutech.com).

The financial statements for Zutech Inc. (Ireland) Ltd. were prepared with EUR as the reporting currency. The financial information in this Element presents the information in both EUR and SEK. The financial statements have been converted to SEK. The balance sheets have been converted with the closing exchange rate on the last day in each respective period. The exchange rates used for conversion of the income statements have been estimated as the average exchange rate for the entire period. All exchange rates have been sourced from the Swedish Riksbank (Sw. Sveriges Riksbank). The information that has been converted to SEK has not been audited.

The exchange rates that were used for the conversion are presented below:

SEK per unit	Period		
	2017-07-01 - 2017-12-31	2016-07-01 - 2016-06-30	2015-07-01 - 2015-06-30
EUR	9.67	9.62	9.33

SEK per unit	Balance day		
	2017-12-31	2017-06-30	2016-06-30
EUR	9.85	9.67	9.42

Income statement Zutech Inc. (Ireland) Ltd.	2017-07-01 - 2017-12-31 (Reviewed) EUR	2016-07-01 - 2016-06-30 (Audited) EUR	2015-07-01 - 2015-06-30 (Audited) EUR
Turnover	1,232,801	2,444,301	1,561,316
Cost of goods sold	- 153,993	- 363,491	- 474,513
Gross profit	1,078,808	2,080,810	1,086,803
Sales and administrative expenses	- 927,963	- 1,457,245	- 1,421,772
Other operating income	110,318	-	88,020
Costs associated with the Offering and Listing	- 134,986	-	-
Operating income	126,177	623,565	246,949
Net financial expenses/income	67,288	21,034	- 13,810
Profit before taxes	193,465	644,599	260,759
Taxes	- 11,524	- 11,571	81,763
Profit for the period	181,941	633,028	178,996

Income statement Zutech Inc. (Ireland) Ltd.	2017-07-01 - 2017-12-31 (Unaudited) SEK	2016-07-01 - 2016-06-30 (Unaudited) SEK	2015-07-01 - 2015-06-30 (Unaudited) SEK
Turnover	11,925,127	23,501,954	14,574,182
Cost of goods sold	- 1,489,603	- 3,494,966	- 4,429,365
Gross profit	10,435,524	20,006,988	10,144,817
Sales and administrative expenses	- 8,976,372	- 14,011,411	- 13,271,602
Other operating income	1,067,128	-	821,627
Costs associated with the Offering and Listing	- 1,305,746	-	-
Operating income	1,220,534	5,995,577	2,305,158
Net financial expenses/income	650,890	202,242	- 128,910
Profit before taxes	1,871,424	6,197,819	2,434,068
Taxes	- 111,474	- 111,255	763,221
Profit for the period	1,759,950	6,086,564	1,670,847

Balance sheet Zutec Inc. (Ireland) Ltd.	2017-12-31	2017-06-30	2016-06-30
	(Reviewed) EUR	(Audited) EUR	(Audited) EUR
Tangible assets	25,158	25,158	28,900
Intangible assets	-	-	-
Financial assets	1,702	1,702	1,702
Current assets	1,174,258	1,396,602	1,404,763
Cash and cash equivalents	805,325	603,413	196,081
Total assets	2,006,443	2,026,875	1,631,446
Shareholders' equity	1,044,541	1,037,729	460,201
Long term liabilities	525,000	525,000	525,000
Current liabilities	436,902	464,146	646,245
Total shareholders' equity and liabilities	2,006,443	2,026,875	1,631,446

Balance sheet Zutec Inc. (Ireland) Ltd.	2017-12-31	2017-06-30	2016-06-30
	(Unaudited) SEK	(Unaudited) SEK	(Unaudited) SEK
Tangible assets	247,796	243,363	272,134
Intangible assets	-	-	-
Financial assets	16,764	16,464	16,027
Current assets	11,566,087	13,509,890	13,227,810
Cash and cash equivalents	7,932,214	5,837,055	1,846,377
Total assets	19,762,861	19,606,773	15,362,348
Shareholders' equity	10,288,418	10,038,368	4,333,437
Long term liabilities	5,171,093	5,078,535	4,943,610
Current liabilities	4,303,351	4,489,870	6,085,301
Total shareholders' equity and liabilities	19,762,861	19,606,773	15,362,348

During the 2017 fiscal year, the net turnover was SEK 23,501,954. Compared to the prior year, the net turnover increased by 61.2 per cent. The increase was due to increased sales of software licenses to current and new customers.

Cost of goods sold amounted to SEK 3,494,966 during the 2017 fiscal year. Compared to the prior year, this represented a decrease of 21.1 per cent. The lowered costs depended on a relative increase in software sales in proportion to consultancy fees, which follows the Company's strategy of decreasing the need for on-site customer clients.

Administration and marketing costs amounted to SEK 14,011,411 for the 2017 fiscal year, which represented an increase of 5.6 percent from the prior year.

The operating profit amounted to SEK 5,995,577 in 2017. In the year prior, the Company had an operating loss of SEK 1,670,847. The change was mainly due to increased revenue.

Total assets increased from SEK 15,362,348 in June 2016 to SEK 19,606,733 in June 2017. Most of the increase was due to an increase in cash and cash equivalents, which in turn was a result of increased sales.

Tangible assets amounted to SEK 272,134 in 2017, which represented a decrease of SEK 28,771 from the previous year. The tangible assets mainly consist of fixtures, furnishings, computers and electronic equipment.

Current assets increased by 2.2 per cent from SEK 13,227,810 in June 2016 to 13,509,890 in June 2017. These mainly consist of receivables from clients.

		<p>Short term liabilities amounted to SEK 4,489,870 in June 2017, which represented a decrease of 26.2 per cent from the prior year. The decrease was mainly the result of a reduction in accounts payable.</p> <p>Shareholders' equity increased from SEK 4,333,437 in 2016 to SEK 10,038,368 in 2017. The increase was mainly the result of an increase in retained earnings, which followed from the profit for the year.</p> <p>Significant events after the end of the period On 13 February 2018, the Company acquired Zutech Inc. (Ireland) Ltd. from the Company's current shareholders by way of a share issue in kind. Prior to the acquisition, the Company had not conducted any operations.</p>
B.8	Pro forma accounting	<p>Background to the pro forma accounting The Company was registered with the Swedish Companies Registration Office (Sw. Bolagsverket) on 29 November 2017 and had until 13 February 2018 not conducted any operations. On 3 January 2018, the Company was acquired by Zutech Inc. (Ireland) Ltd. On 19 January 2018, the current shareholders of the Company acquired all outstanding shares in the Company from Zutech Inc. (Ireland) Ltd. on a pro rata basis in relation to their holdings in Zutech Inc. (Ireland) Ltd. On 13 February 2018, the current shareholders of the Company transferred all their shares in Zutech Inc. (Ireland) Ltd. to the Company by way of a share issue in kind.</p> <p>The acquisition of Zutech Inc. (Ireland) Ltd. included its subsidiaries; Zutech (Australia) Pty Ltd., Zutech (Asia) Ltd. and Zutech Inc. (UK) Ltd. Since no former consolidated financial information has been prepared by the Group or by Zutech Inc. (Ireland) Ltd., each company is presented separately in the pro forma financial statement.</p> <p>The pro forma accounting in the Prospectus has been reviewed by the Company's auditor in accordance with RevR 5.</p> <p>The purpose of the pro forma financial statement The purpose of the consolidated pro forma financial statements is to show the hypothetical effect that the acquisition of Zutech Inc. (Ireland) Ltd. would have had on:</p> <ul style="list-style-type: none"> - the Company's consolidated income statement for the six-month period ending on 31 December 2017, if the acquisition of Zutech Inc. (Ireland) Ltd. was made on the first of July 2017. - the Company's consolidated balance sheet on 31 December 2017, if the acquisition of Zutech Inc. (Ireland) Ltd. was made on 31 December 2017. <p>The pro forma financial information is meant to inform and highlight facts. By its nature, the pro forma financial information addresses a hypothetical situation and does therefore not represent the Company's actual or expected financial position or results, or the results that would have materialized if the acquisition of Zutech Inc. (Ireland) Ltd. was made on the above-mentioned dates. Hence, investors should be cautious in their interpretation of the pro forma financial information and not place too much emphasis on it.</p> <p>It is the opinion of the Board that the consolidated pro forma financial statements encompass all necessary adjustments to provide a true and accurate account of the transactions described in note 3 and 4 in accordance with IFRS, which are applied in accordance with the Company's accounting principles. The pro forma financial statements are not meant to reflect the Company's profits or financial position if the transactions actually had happened on the above-mentioned dates. Furthermore, the pro forma financial statements are not necessarily indicative of the Company's future profits or financial position.</p> <p>The basis for the pro forma Accounting principles The unaudited pro forma consolidated financial statements have been compiled based on the accounting principles that the Company will apply for the 2018 fiscal year. The Group applies IFRS. The parent Company applies the Swedish Annual Reports Act and RFR 2 – accounting for legal entities.</p>

The accounting principles that the Company applies are different from those used by Zutech Inc. (Ireland) Ltd. and its subsidiaries. The Company has performed an analysis and has concluded that there are no material differences between the accounting principles used by the Company and its subsidiaries. The assessment is that the accounting principles largely conform to those applied by the Company and that the differences do not give rise to any material errors in the pro forma financial information.

Basis and source of the financial information

The financial information for Zutech Holding AB has been sourced from the audited report for the period 2017-11-29 – 2017-12-31.

The financial information for Zutech Inc. (Ireland) Ltd. has been sourced from a report for the period 2017-07-01 – 2017-12-31. The report was produced according to generally accepted accounting principles in Ireland, which includes FRS 102, which is issued by the Financial Reporting Council. The report has been reviewed by Mazars Ireland.

The financial information for Zutech (Australia) Pty Ltd. has been sourced from the company's internal accounting system and has been compiled according to the internationally accepted accounting concepts of accruals, prudence, consistency and going concern. The information has not been audited.

The financial information for Zutech (Asia) Ltd. for the pro forma income statement is sourced from the company's internal accounting system. The information for the pro forma balance sheet was sourced from the company's annual report for the fiscal year ending 2017-12-31. The annual report was prepared in accordance with the requirements set forth by the Hong Kong Companies Ordinance and local accounting standards for private businesses in Hong Kong (HKFRS for Private Entities), which are issued by the Hong Kong Institute of Certified Public Accountants. The financial report has been audited by the company's auditor.

The financial information for Zutech Inc. (UK) Ltd. has been sourced from the company's internal accounting system. The company applies generally accepted accounting principles in the UK, which includes FRS 102, issued by the Financial Reporting Council. The information has not been audited.

Pro forma income statement Zutech Holding AB 01 - 2017-12-31	Zutech Holding AB	Zutech Inc. (Ireland) Ltd.	Zutech Inc. (UK) Ltd.	Zutech (Asia) Ltd.	Zutech (Australia) Pty Ltd.	Pro forma adjustments	Note	Zutech Holding AB consolidated group
	(Audited)	(Reviewed)	(Unaudited)	(Unaudited)	(Unaudited)			(Pro forma)
Turnover	-	11 925 127	843 213	968	2 037 652	-		14 806 960
Other operating income	-	1 067 031	-	-	1 396	-		1 068 428
Total income	-	12 992 158	843 213	968	2 039 049	-		15 875 388
Cost of goods sold	-	- 1 489 604	- 415 519	-	-	-		- 1 905 123
Sales and administrative expenses	-	- 8 976 372	- 462 320	- 10 784	- 1 418 884	-		- 10 868 360
Costs associated with the Offering and	-	- 1 305 882	-	-	-	-	6)	- 1 305 882
Other operating costs	-	-	-	-	-	-		-
Depreciation	-	-	-	-	-	- 2 279 731	3)	- 2 279 731
Operating income	-	1 220 301	- 34 626	- 9 816	620 165	- 2 279 731	5)	483 708
Net financial expenses/income	-	650 890	-	-	-	-		650 890
Profit before taxes	-	1 871 191	- 34 626	- 9 816	620 165	- 2 279 731	5)	167 182
Taxes	-	- 111 474	-	-	-	284 966	3)	173 492
Profit for the period	-	1 759 717	- 34 626	- 9 816	620 165	- 1 994 765	5)	340 675
Share of profits attributable to Shareholders of the parent company	-	1 759 853	- 34 626	- 9 816	347 293	- 1 992 974	5)	69 729
Non-controlling interest	-	-	-	-	272 872	-		272 872

Pro forma balance sheet, Zutec Holding AB 2017-12-31	Zutec Holding AB	Zutec Inc. (Ireland) Ltd.	Zutec Inc. (UK) Ltd.	Zutec (Asia) Ltd.	Zutec (Australia) Pty Ltd.	Pro forma adjustments	Not e	Zutec Holding AB consolidated group
	(Audited)	(Reviewed)	(Unaudited)	(Audited)	(Unaudited)			(Pro forma)
Fixed assets								
Tangible assets	-	229 300	-	-	-	-		229 300
Financial assets	-	16 759	-	-	-	-		16 759
Goodwill	-	-	-	-	-	91 989 505	3)	91 989 505
Software	-	-	-	-	-	22 300 485	3)	22 300 485
Total fixed assets	-	246 059	-	-	-	114 289 990	5)	114 536 049
Current assets								
Receivables	-	4 870 932	-	-	874 191	-		5 745 124
Other receivables	-	6 827 843	684 559	9 750	16 067	- 2 972 657	7)	4 565 562
Cash and cash equivalents	500 000	8 000 161	114 047	260 810	869 892	-		9 744 910
Total current assets	500 000	19 698 937	798 605	270 560	1 760 151	- 2 972 657	5)	20 055 595
Total assets	500 000	19 944 996	798 605	270 560	1 760 151	111 317 333	5)	134 591 644
Shareholders' equity								
Share capital	500 000	1 250 912	1 252	11	645	- 1 252 820	3)	500 000
Share issue in kind	-	-	-	-	-	120 000 000	3)	120 000 000
Retained earnings including profits for the period	-	9 015 937	- 353 607	- 96 806	- 1 320 774	- 7 244 750	3)	0
Non-controlling interest	-	-	-	-	-	-		-
Total shareholders' equity	500 000	10 266 850	- 352 355	- 96 795	- 1 320 129	111 502 430	5)	120 500 001
Long term liabilities								
Interest bearing loans	-	5 169 513	-	-	-	-		5 169 513
Deferred taxes	-	-	-	-	-	2 787 560	3)	2 787 560
Total long term liabilities	-	5 169 513	-	-	-	2 787 560	5)	7 957 073
Current liabilities								
Trade payables	-	1 057 089	159 494	-	711 620	-		1 928 203
Other short term debt	-	3 451 544	991 467	367 355	2 368 660	- 2 972 657	7)	4 206 368
Total current liabilities	-	4 508 633	1 150 960	367 355	3 080 280	- 2 972 657	5)	6 134 570
Total liabilities	-	9 678 146	1 150 960	367 355	3 080 280	- 185 097	5)	14 091 644
Total shareholders' equity and liabilities	500 000	19 944 996	798 605	270 560	1 760 151	111 317 333	5)	134 591 644

Notes to the pro forma financial statements

1. Currency conversion

The pro forma financial statements are presented in SEK. The financial information of the subsidiaries was originally prepared in each company's local currency. The information has been converted to SEK. The conversion for the balance sheets was performed with the closing exchange rate for each respective company's reporting currency in relation to SEK on 31 December 2017. The exchange rates that were used to convert the information in the income statements were the average exchange rates over the 2017-07-01 – 2017-12-31 period. All exchange rates were sourced from the Swedish Riksbank (Sw. Sveriges Riksbank). The exchange rates that were used are the following:

SEK per unit	2017-07-01 - 2017-12-31	2017-12-31
EUR	9.67	9.85
HKD	1.05	1.05
GBP	10.84	11.10
AUD	6.41	6.42

2. The group Zutec Inc. (Ireland) Ltd. that was acquired by the Company according to the description in note 3 is composed of:

Company	Share of capital	Share of votes
Zutec Inc. (Ireland) Ltd.		
Zutec (Australia) Pty Ltd.	56%	56%
Zutec Inc. (UK) Ltd.	100%	100%
Zutec (Asia) Ltd.	100%	100%

3. Acquisition

On the 13th of February 2018, the Company acquired all outstanding shares of Zutech Inc. (Ireland) Ltd. from the Company's current shareholders. The total consideration was SEK 120 million, corresponding to an estimated market value of Zutech Inc. (Ireland) Ltd. It was paid by way of a share issue in kind of 500,000 shares which were subscribed for by the Company's current shareholders at a price of SEK 240 per share.

The pro forma income statement and balance sheet in this Element assume that the transaction described in note 3 was made on different dates. As the date of the transaction has implications for the Company's pro forma financial statements, the tables in this note are presented for two hypothetical scenarios. The columns in the tables are marked with the date that corresponds to the assumed date of the transactions.

The acquired equity that arises through the acquisition of Zutech Inc. (Ireland) Ltd. amount to the following:

Acquired equity (SEK)	2017-07-01	2017-12-31
Share capital	1,249,268	1,252,820
Retained earnings including profit for the period	4,764,154	7,244,750
Total acquired equity	6,013,422	8,497,570

The difference between acquired equity and the purchase consideration of SEK 120 million results in transaction expenses of SEK 113,986,578 provided that the acquisition was made on 1 July 2017, and SEK 111,502,430 provided that the acquisition was made on 31 December 2017.

The transaction costs have been preliminarily allocated to the fair value of the net assets in Zutech Inc. (Ireland) Ltd. as follows:

Allocation of transaction expenses (SEK)	2017-07-01	2017-12-31
Software	22,797,315	22,300,485
Goodwill	94,038,926	91,989,505
Deferred taxes	- 2,849,664	- 2,787,560
Total acquisition costs	113,986,578	111,502,430

20 percent of the excess value has been allocated to software. The Board assesses that the software has a useful life span of five years. The remaining part is allocated to Goodwill and is estimated to have an indefinite life span. This amount and its life span will be evaluated in each period.

Yearly depreciation/dissolvement (SEK)	2017-07-01	2017-12-31
Software	- 4,559,463	- 4,460,097
Deferred taxes	569,932	557,512

Deferred taxes are reported on the software after an analysis of the Company's actual tax situation for the underlying assets. Deferred taxes are dissolved at the same rate as the depreciation of software.

The pro forma adjustment of SEK 284,966 regarding taxes in the pro forma income statement represents half of the annual depreciation/dissolvement of deferred taxes in the table above.

The pro forma adjustment of SEK -2,279,731 in the pro forma income statement represents half of the yearly depreciation of the software in the table above.

4. Historical acquisitions

Zutech Inc. (Ireland) Ltd.'s subsidiaries were acquired by Zutech Inc. (Ireland) Ltd at the book values presented in the table below. The book values correspond to the equity that was contributed to each company when they were founded. The amounts are stated in EUR.

		<table><tr><th>Company</th><th>Book value (EUR)</th></tr><tr><td>Zutec (Australia) Pty Ltd.</td><td>36</td></tr><tr><td>Zutec Inc. (UK) Ltd.</td><td>113</td></tr><tr><td>Zutec (Asia) Ltd.</td><td>11</td></tr></table> <p>5. The adjustment is a sum that follows from other pro forma adjustments.</p> <p>6. Non-recurring items</p> <p>Costs relating to the Offering and Listing are included in the income statement. The costs amounted to EUR 134,986 which have been converted to SEK. The costs were incurred in Zutec Inc. (Ireland) Ltd. and are related to fees for financial and legal advisers in Sweden and Ireland.</p> <p>7. Claims and liabilities within the Group</p> <p>The debts of the Group include internal claims and liabilities to other companies within the Group amounting to SEK 2,972,657 these are eliminated in the pro forma balance sheet.</p>	Company	Book value (EUR)	Zutec (Australia) Pty Ltd.	36	Zutec Inc. (UK) Ltd.	113	Zutec (Asia) Ltd.	11
Company	Book value (EUR)									
Zutec (Australia) Pty Ltd.	36									
Zutec Inc. (UK) Ltd.	113									
Zutec (Asia) Ltd.	11									
B.9	Profit/loss forecast	Not applicable; the Prospectus does not contain any profit or loss forecasts.								
B.10	Audit remarks	Not applicable; the audit reports on the historical financial information included in the Prospectus does not have any remarks.								
B.11	Net working capital	Not applicable; the Board believes that the working capital is sufficient for the Company's current needs over the twelve-month period following the date of the Prospectus.								
Section C - Securities										
C.1	Securities offered	Shares in Zutec Holding AB (publ) (ISIN code SE0010869487). The ticker name of the shares is ZUTEC.								
C.2	Denomination	The Shares are denominated in SEK.								
C.3	Total number of shares in the Company and quotient value	As of the date of this Prospectus, the Company's share capital is SEK 1,000,000 and the number of shares is 5,000,000. Each share has a quotient value of SEK 0.2. The shares are fully paid and freely transferable.								
C.4	Rights associated with the securities	The shares in Zutec have been issued pursuant to the Swedish Companies Act (2005:551) and the rights associated with shares issued by the Company, including those pursuant to the Company's articles of association, may only be amended in accordance with the procedures set forth in that Act. Each share carries one (1) vote at the Company's General Meeting. Each shareholder is entitled to vote all shares held and represented by him/her at the General Meeting. Each share carries equal rights to the Company's assets and profits. Shareholders who are registered in the Company's share register on the record date before a dividend is issued which has been adopted by the General Meeting are entitled to that dividend. Payment of dividends is administered by Euroclear Sweden. In the event of liquidation of the Company, shareholders are entitled to a share of any surplus in proportion to the number of shares held by the shareholder. No restrictions exist regarding the transfer of shares. Shareholders usually have pre-emptive rights to subscribe for new shares, warrants and convertible bonds pursuant to the Companies Act, unless the General Meeting or the Board of Directors, pursuant to authorization by the General Meeting, decides to deviate from the shareholders' pre-emptive rights.								
C.5	Restrictions on transferability	Not applicable; there are no restrictions on the transferability of shares in the Company.								
C.6	Admission for trading on a regulated market	Not applicable; the Board of Directors of Zutec has applied for listing of the Company's shares on First North, a multilateral trading facility (MTF) that does not have the same legal status as a regulated market. The expected first day of trading on First North is 15 March 2018.								
C.7	Dividend policy	The payment of dividends is determined by the General Meeting of shareholders. Any future dividends are dependent upon several factors, such as future results, financial position and the Company's need for investments. Zutec is currently in an expansion phase where the identified growth opportunities are prioritised. As a result, shareholders should not expect to receive any, or very low, dividends over the next few years. Under such circumstances, the possible return for the shareholders over the next few years will mainly depend on the development of the share price.								

Section D - Risks

D.1	<i>Main risks related to the issuer and its industry</i>	<p>The risk factors described below, which are presented in no particular order and without purporting to be exhaustive, are deemed to constitute the principal risks related to the Company and the industry.</p> <ul style="list-style-type: none"> • Economic trends that negatively affect the construction industry may adversely affect the Company's business by reducing the number of new projects being undertaken that the Company may service or target to service. Downturns in the construction industry may also reduce the amounts that potential customers are willing to spend on the Company's products. • There is a risk that the Company's current customers will not renew existing contracts or purchase the Company's products in future projects. • There is a risk that the Company, in the future, will be unable to obtain funding when needed or that such funding cannot be obtained on acceptable terms. • There is a risk that the Company, or other companies within the Group, will be unable to retain or recruit key management personnel who is or could be of importance to the Company's ability to develop its products or implement its business strategies. • There is a risk that the Company's systems are adversely affected by cybercrime, disruption, failure, service outages or corruption of the Company's information networks or information systems. Further, there is a risk that the Company suffers theft, destruction, loss, misappropriation or release of confidential customer data or intellectual property. This could entail disturbance in the Company's business, which could damage the Company's reputation and lead to claims against the Company by its customers, termination of customer or third party supplier contracts at short notice. • The Company's business may be adversely affected by cybercrime, theft, destruction, loss, misappropriation or release of confidential customer data or intellectual property. Such events could cause significant disruption to the Company's systems and render its services unavailable for a period of time, while data is restored. They could also lead to unauthorised disclosure of customer data which may cause the Company reputational damage, claims by its customers, termination of contracts, regulatory scrutiny and fines. • There is a risk that competitors and customers, current or future, in different ways infringes the Company's intellectual property rights. Further, there is a risk that the Company in the future, for instance as a result of expansion into new geographical markets, could infringe, or be accused of infringing, the intellectual property rights of a third party. In such case, the Company may get involved in disputes regarding intellectual property rights. • There is a risk that the Company cannot enter into agreements with sales and marketing partners and other distribution channels on beneficial terms, or that agreements that have been entered into will not be observed by contracting parties. • The Company has operations in a number of jurisdictions and is exposed to a range of different legal and regulatory regimes. This entails risks relating to labour practices, foreign ownership restrictions, tax regulation, difficulty in enforcing contracts, changes to or uncertainty in the relevant legal and regulatory regime and other issues in foreign jurisdictions in which the Company operates. Further, there is a risk that the Company's knowledge, interpretation and application of such laws, treaties, provisions and requirements are not correct in all respects. There is a risk that the concerned tax authorities will come to decisions that deviate from the Company's interpretation. • There is a risk that the Company, from time to time, will be involved in court proceedings and/or arbitration proceedings and that Company, in case of loss in such legal proceedings, must compensate the opposing party for the costs of the proceedings. • The Company has revenues and expenses in multiple currencies which exposes the Company to short-term currency fluctuations due to transactions made by the Company in currencies other than SEK (which is the Company's accounting currency). Furthermore, it exposes the Company to long-term currency risks due to the use of different functional and accounting currencies. <p>The risks described above could, if they arise, have a material adverse effect on the Company's</p>
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		operations, financial position and earnings. There are other risks related to the Company and the industry. There may also be risks related to the Company and the industry that are currently unknown to the Company.
D.3	<i>Main risks related to the securities</i>	<p>The risk factors described below, which are presented in no particular order and without purporting to be exhaustive, are deemed to constitute the principal risks related to the Offering and the Company's shares.</p> <ul style="list-style-type: none"> • An investment in shares may increase or decrease in value. Thus, there is a risk that an investor will not be able to recover the entire, or any, invested capital. • There has been no public trade in the Company's shares before the Offering. Thus, it is difficult to predict the amount of trading or the interest that may be shown in the shares following the Board's decision to list the Company's shares on First North. If an active and liquid trade does not develop or is not lasting, it may impede the shareholders' abilities to sell shares quickly or at all. In addition, there is a risk that the market price after the Offering could differ significantly from the sale price in the Offering. • The subscription undertakings that have been submitted are not secured by means of bank guarantees, restricted funds, pledging or any similar arrangement. Hence, there is a risk that the subscription undertakings are not fulfilled. • There is a risk that shareholders will not receive any, or very low, dividends in the next few years. • Brian McGuire is the majority shareholder in the Company and exercises significant influence over matters requiring shareholder approval. This concentration of control may be disadvantageous for shareholders with other interests than Brian McGuire. • The price of the Company's share may decrease if a large number of the Company's shares are sold by any major shareholder, e.g. Brian McGuire. <p>The risks described above could, if materialised, have a material adverse effect on the Offering and the Company's shares. There are other risks related to the Offering and the shares. There may also be risks related to the Offering and the shares that are currently unknown to the Company.</p>
Section E - Offering		
E.1	<i>Issue proceeds and issue costs</i>	<p>In connection with the Offering and the Listing, the Company conducts an issue of shares that is expected to provide the Company proceeds of approximately SEK 50 million (before costs for the Offering), if fully subscribed. The total costs incurred by the Company due to the Offering and the Listing is expected to amount to approximately SEK 7.9 million. Such costs are mainly attributable to fees to financial and legal advisors, auditor, application fees, marketing and printing of the Prospectus. The net proceeds from the issue of shares is expected to amount to SEK 42.1 million.</p> <p>If the Oversubscription Issue is fully utilized and subscribed, the Company is expected to be provided with additional proceeds of approximately SEK 7.5 million. The costs Oversubscription Issue incurred by the Company is expected to amount to SEK 0.5 million. The estimated net proceeds from the Oversubscription Issue amount to SEK 7 million.</p>
E.2a	<i>Motive and use of proceeds</i>	<p>The Company markets well developed software solutions for the construction and facilities management sectors, a segment which is relatively undigitized. The Board believes that the Company's already rapid growth can be further increased by investments in sales and marketing. Zutech aims to open regional sales offices and hire local staff for sales teams in new regions. In addition, the Company plans to further invest in the development of its products to maintain a position as a technical market leader within its segment. Through these investments, Zutech can tie more of its client's activities and software spending to Zutech's platform. The Board believes that the Company has an opportunity to become a global market leader within its niche. The Board has decided to undertake a new share issue that can provide the Company with growth capital and a more diverse ownership base. Furthermore, the Board believes that the Listing of the Company's shares on First North will contribute to an even more international profile and inspire legitimacy for Zutech in the eyes of its clients.</p> <p>Assuming a fully subscribed Offering, the Company expects proceeds of SEK 42.1 million. If the Oversubscription Issue is fully subscribed and utilized, the Company is expected to raise additional proceeds of SEK 7 million. Zutech plans – with reservation for some deviation – to use the proceeds as follows:</p>

		<p>Use of proceeds</p> <table><tr><th colspan="2">In percent of use of proceeds</th></tr><tr><td>Sales and marketing</td><td>70%</td></tr><tr><td>Product development and investments related to the product</td><td>30%</td></tr></table> <p>About 20 per cent of the investments in sales and marketing will be used in markets where the Company is already present and operational. The remaining 80 per cent will be used in new markets, mainly in North America and Scandinavia.</p> <p>Sales and marketing comprises personnel costs for an increased sales staff and costs for establishing new offices in new markets.</p> <p>Product development comprises costs for new staff, servers, computers and IT infrastructure.</p>	In percent of use of proceeds		Sales and marketing	70%	Product development and investments related to the product	30%
In percent of use of proceeds								
Sales and marketing	70%							
Product development and investments related to the product	30%							
E.3	Offering terms and conditions	<p>The Offering: The Offering comprises 2,083,334 newly issued shares in Zutech. The subscription price is SEK 24, which corresponds to a total offering of SEK 50 million. The shares in the Offering will be issued by the Company in derogation of the shareholders' pre-emptive rights. The Company's share capital will increase by a maximum of SEK 416,666.8, and amount to SEK 1,416,666.8, if the Offering is fully subscribed (excluding the Oversubscription Issue).</p> <p>Subscription price: The subscription price in the Offering has been set at SEK 24 per share.</p> <p>Subscription period: The public may apply for subscription of shares during the period between 20 February 2018 and 5 March 2018.</p> <p>Application: Application for the acquisition of shares must be for a minimum of 250 shares. Applications are binding. If multiple applications are submitted by the same subscriber, only the first registered application will be considered. Applications submitted to late, as well as incomplete or incorrectly completed application forms, may be ignored.</p> <p>Applications may be submitted to Hagberg & Aneborn and Nordnet in accordance with their respective instructions.</p> <p>Investors residing outside Sweden: Investors residing in Ireland shall apply for subscription in the Offering by contacting Hagberg & Aneborn. Hagberg & Aneborn may be contacted by email on info(@)hagberganeborn.se or by phone on +46 8-408933 50.</p> <p>Investors residing in Norway and Finland shall apply for subscription in the Offering by contacting Nordnet. More information regarding the application procedure for investors residing in Norway and Finland is available on Nordnets website (www.)nordnet.se/ipo and on the addresses set out below.</p> <p>Nordnet Bank AB Suomen sivuliike E-mail: asiakaspalvelu(@)nordnet.fi (www.)nordnet.fi</p> <p>Nordnet Bank NUF E-mail: kundservice(at)nordnet.no (www.)nordnet.no</p> <p>Allotment: Decisions on allotment will be based on demand. Any decision on allotment of shares will be made by the Board of Directors after consultation with Remium. The primary purpose is to achieve the required distribution of ownership to the public to ensure regular and liquid trading in the Company's share, as well as achieving the desired amount of ownership among institutional investors. The outcome of the Offering will be announced through a press release which will also be available on the Company's website (www.)zutech.com, on or about 6 March 2018.</p>						

		<p>Oversubscription Issue: The Company has committed, in accordance with an agreement between the Company and Remium, to issue a maximum of 312,500 additional shares, corresponding to a maximum of 15 per cent of the number of shares in the Offering, and 4.2 per cent of the total maximum number of shares in the Company after the Offering, at a price of SEK 24, if the Offering is oversubscribed. If the Offering and the Oversubscription Issue are fully subscribed, the total number of shares in the Company will increase by 2,395,834 shares, corresponding to approximately 32.4 per cent of the total number of shares and votes in the Company following completion of the Offerings. The Oversubscription Issue may only be utilized for the purpose of covering any oversubscription in the Offering.</p> <p>First day of trading: The planned first day of trading is 15 March 2018.</p> <p>Settlement date: The planned settlement date is 9 March 2018.</p> <p>Conditions for completion of the Offering: The Offering is conditional upon: (i) that Remium deems the interest in the Offering to be sufficient for a satisfactory trading in the Company's share, (ii) that Nasdaq approves the Board of Directors' application for listing of the Company's shares on Nasdaq First North and (iii) that no events occur which have such materially negative effect on the Company that it would be inappropriate to complete the Offering. In the event these conditions are not met, the Offering will be withdrawn, and the Company's share will not be listed on First North. The Offering may not be withdrawn after the trading on First North has commenced.</p>
E.4	Interests and conflicts of interests	<p>Advisors in Sweden</p> <p>Remium is financial advisor, as well as Certified Adviser, to the Company in connection with the Offering and the Listing. In this capacity, Remium has an economic interest in the Company in terms of the remuneration Remium can receive. Remium conducts securities business (Sw. värdepappersrörelse), which, among other things includes transactions for its own account. In the course of this business, Remium may trade in or take positions in securities which are directly or indirectly linked to the Company.</p> <p>Hagberg & Aneborn acts as the issuing agent in connection with the Offering and the Listing. Hagberg & Aneborn has an economic interest in the Company in terms of the remuneration Hagberg & Aneborn can receive at the completion of a listing of the Company.</p> <p>MAQS is assisting the Company as legal advisor in connection with the Offering and the Listing. MAQS receives ongoing remuneration for the services it provides. MAQS has no further interests, economic or otherwise in the Offering. Board member Hans Schedin is senior counsel at MAQS. Hans Schedin has not, and will not, attend Board matters in which there is a risk of conflicts of interest between his duties towards the Company and his role as a senior counsel at MAQS, or any other duties and/or interests.</p> <p>Advisors in Ireland</p> <p>Gerard Jones is assisting the Company as financial advisor in connection with the Offering and the Listing in regards to Irish legislation. In this capacity, Gerard Jones receives ongoing remuneration for the services he provides. Gerard Jones is a Board member of the Company. Gerard Jones has not, and will not, attend Board matters in which there is a risk of conflicts of interest between his duties towards the Company and his role as a financial advisor to the Company, or any other duties and/or interests.</p> <p>Reddy Charlton Solicitors acts as the Company as legal advisor in relation to Irish law in regards to Irish legislation in connection with the Offering and the Listing. Reddy Charlton Solicitors receives ongoing remuneration for the services it provides. Reddy Charlton Solicitors has no further interests, economic or otherwise in the Offering.</p>
E.5	Principal Owner/Lock-up agreements	<p>All current shareholders of the Company have entered into agreements with Remium and undertaken not to, directly or indirectly, sell shares in the Company within a period of twelve (12) months from the first day of trading on First North without obtaining written approval from Remium in each case. Exceptions from the obligation not sell shares in the Company (lock-up) may be permitted under the terms of (and as an acceptance of) a public takeover offer, as defined in the Swedish Corporate Governance Board's "Takeover rules for certain trading platforms" of 1 November 2017. In all,</p>

		5,000,000 shares are covered by the lock-up, corresponding to approximately 67.7 per cent of all shares after the Offering, assuming full subscription of the Offering and the Oversubscription Issue.
E.6	<i>Dilution effect</i>	The number of shares in the Company will increase from 5,000,000 to a maximum of 7,083,334 shares due to the Offering. This entails a dilution of approximately 29.4 per cent for shareholders which do not participate in the Offering. If the Oversubscription Issue is fully utilized, the number of shares in the Company will increase to a maximum of 7,395,834 shares, corresponding to dilution of the current shareholders of approximately 32.4 per cent.
E.7	<i>Costs imposed on investors by the issuer or offeror</i>	Not applicable; no commission will be charged.

RISK FACTORS

An investment in the Company's shares is associated with certain risks. The Company's business is affected, and may be affected, by numerous factors which are not possible for the Company to control in whole or in part. Such factors may adversely affect the Company's operations, financial position and profits in the future or may lead to a decrease in the share price and investors losing their investment in whole or in part. Certain risks are associated with the Company and other risks have no specific connection to the Company. Investors must make a comprehensive assessment that includes the specific risk factors described below as well as other information in the Prospectus and the general market conditions, prior to deciding whether to invest in the Company. The risk factors are not described in any particular order and are not the only risks to which the Company is subject. In addition to information contained in this Prospectus, investors should make their own assessment of each risk factor and their effect on the Company's future development. Additionally, there may be other uncertainties and risks of which the Company is currently unaware, or which are deemed to be immaterial, but which later prove to be material.

Risks related to the Company and its operations

Macroeconomic factors and dependence on the construction industry

The Company is affected by general economic, financial and political conditions in its key markets and the construction industry in general. These conditions may be affected by levels of business spending, inflation/deflation, interest rates, consumer confidence, access to debt and capital markets and government fiscal, monetary and regulatory policies. These factors are beyond the Company's control. Unfavourable development of the economic, financial or political conditions in the Company's key markets or the construction industry may have a material adverse effect on the Company's business.

The Company's core business targets the construction industry. As such, economic trends that negatively affect the construction industry may adversely affect the Company's business by reducing the number of new projects being undertaken that the Company may service or target to service. Downturns in the construction industry may also reduce the amount that potential customers may be willing to spend on the Company's products and services. A significant downturn in the construction industry may have a material adverse effect on the Company's operations, financial position and earnings.

Competition

Zutec is active within the building and construction collaboration services segment, which is a segment within the market for cloud based software as a service

(SaaS) collaboration tools. There is a risk that the market for cloud based SaaS collaboration tools and the building and construction collaboration services segment will experience increasing competition. If the competition increases, the competing companies may develop products equivalent to or better than the Company's. This could result in competing companies' products being preferred over the Company's products. These uncertainties entail risks that could have a negative impact on the Company's operations, financial position and earnings in the future.

Future competitors may have longer operating histories, greater market share in certain markets or greater financial and other resources, which may make them better able to adapt to unexpected changes in the market and to expand into new and developing markets more aggressively than the Company. Thus, there is a risk that such competition or changes in the market entail loss of market shares, which could have a negative impact on the Company's operations, financial position and earnings.

Dependence on major customers

The Company's customer agreements are entered into on a project-basis. Thus, the Company frequently has several agreements with the same customers. Although the Company is not dependent on any single customer agreement, a significant part of the Company's total sales is derived from a few major customers. There is a risk that these customers will not renew existing contracts or purchase the Company's products in future projects. If Zutec fails to retain any major customer, this could have a material adverse effect on the Company's operations, financial position and earnings.

Funding and capital requirements

The management and the Board of Directors actively and continually work with the Company's governance and control, including profit, liquidity and financial position. The Board of Directors continually tests the prerequisites for the continued operations of the Company. However, since Zutec is currently in a phase of expansion with relatively large capital requirements, the Company may need to raise additional funds in the future in order to address expansion costs or increased demands on the Company's products. There is a risk that such funding may not be obtained when needed or that funding may not be obtained on acceptable terms. If the Company is unable to obtain financing when required, Zutec may be required to significantly reduce its activities or, ultimately, suspend its operations. If any of the risks described above arise, this could have a material adverse effect on the Company's operations, financial position and earnings.

Product development

The Company's operations demand continuous Research and Development (R&D). The market for cloud based SaaS collaboration tools is characterised by rapid changes in

technology, new evolving standards and new product and service introductions. The Company's future business prospects will depend on its ability to anticipate and respond to technological changes. R&D may be necessary to a greater extent to broaden the Company's market offering and safeguard competitiveness and growth. In addition, the Company's efforts to respond to technological innovations may require significant capital investments and resources. If Zutech is unable to successfully respond to new technological developments or to identify and respond to new market opportunities, products or services offered by its competitors, this could have a material adverse effect on the operations, financial position and earnings of the Company.

Dependence on key management personnel

The Company's success depends to a significant extent on key management personnel within the Group, in particular the senior management team in Zutech Inc. (Ireland) Ltd. The members of the Group's senior management have extensive experience in, and knowledge of, the market for cloud based SaaS. If the Company, or other companies within the Group, is unable to retain key management personnel, this could have a material adverse effect on the Company's ability to develop its products or implement its business strategies, which may adversely affect its operations, financial position and earnings.

Dependence on qualified staff

Zutech is dependent on qualified staff in different positions, especially staff developing and maintaining the Company's software products and services. The ability to retain current staff as well as the ability to recruit new employees is crucial to the Company's future development. There is a risk that the Company will not be able to retain or recruit people who are or will be of importance to the Group and thus that the Company will not be able to develop and maintain its software products and services. If the Company cannot retain or recruit qualified staff, this may adversely affect the Group's operations, financial position and earnings.

Technical risks

Disruption or failure of technology systems

As a provider of cloud based SaaS solutions, primarily within the building and construction industry, Zutech is dependent on the performance, reliability and availability of its technology platforms, communications systems, servers, the Internet, hosting services and the cloud-based environment in which it provides its products. Zutech relies on third party service providers for the delivery of its products, and accordingly many potential operational issues are outside the Company's control. There is a risk that these systems will be adversely affected by

cybercrime or disruption, failure, service outages or corruption of Company's information technology network and information systems that may occur as a result of bugs, computer viruses and other destructive or disruptive software as well as natural disasters, power outages, and similar events. There is also a risk that outsiders could hack the Company's IT systems and in so doing access sensitive information or otherwise damage the Company's business.

Operational or business delays, and damage to reputation, may result from any disruption, failure to maintain adequate IT protection or failure of the Company's information systems and product delivery platforms, which may be caused by events outside the Company's control. This could damage the Company's reputation and lead to claims against the Company by its customers and termination of customer contracts. There is a risk that Zutech will not be able to recover possible losses from third party service providers. In addition, certain material agreements with third party service providers may be terminated at short notice. In such situations, there is a risk that the Company will be unable to enter into agreements with replacement providers in a timely manner and at equivalent terms and cost.

If any of the risks described above arise, this could have a material adverse effect on the Company's operations, financial position and earnings.

Loss or theft of data and failure of data security systems

The Company provides its cloud based SaaS solutions to building and construction industry via the Internet. The Company's products are designed to maintain the confidentiality and security of its customers' confidential and proprietary information that is stored on its systems, including highly valuable intellectual property, strategic business information and other confidential information. The Company is vulnerable to various types of cybercrime and disruption such as unauthorised system access and viruses and there is risk that outsiders could hack the Company's IT systems. The Company's business may be adversely affected by such cybercrime, disruption, theft, destruction, loss, misappropriation or release of confidential customer data or intellectual property, and the networks and information systems of the Company's third party service providers and customers may also be vulnerable to loss or theft. These activities may cause significant disruption to the Company's systems and render its services unavailable for a period of time while data is restored. It may also lead to the unauthorised disclosure of the data of Zutech's customers which may subject the Company to reputational damage, claims by its customers, termination of contracts, regulatory scrutiny and fines.

Zutech may be unable to anticipate theft or disruption

of data security systems or to implement adequate preventative or reactionary measures in order to maintain adequate IT protection. Any accidental or wilful security breaches or other unauthorised access to Zutech's clients' data could have material adverse effect on the Company's operations, financial position and earnings.

Intellectual property rights

The Company has not applied for any patents to protect its proprietary software products. Instead, the Company's proprietary software products are protected by way of copyrights and trade secrets. Copyright and trade secrets do not provide the same level of predictability in the scope of protection as patent protection and may therefore be insufficient. There is a risk that competitors and customers, current or future, may in various ways infringe the Company's intellectual property protection, which could negatively affect the operations of the Company. Similarly, if the Company fails to protect its proprietary intellectual property rights and/or company secrets in its contracts, this could have a material adverse effect on the Company's operations, financial position and earnings.

In the Board's opinion, the Company does not infringe the intellectual property rights of any third party. However, there is a risk that the Company, for instance as a result of expansion into new geographical markets, could infringe, or be accused of infringing, the intellectual property rights of a third party. In such case, the Company may get involved in disputes regarding those intellectual property rights. The same applies when any third party could infringe, or be accused of infringing, intellectual property rights within the Group. The outcomes in such disputes are often difficult to predict and the costs may be significant. In the event that protection of its intellectual property rights within the Group is insufficient, or if the Group infringes the intellectual property rights of any third party, or if a third party infringes the intellectual property rights of the Group, this could have a material adverse effect on the Company's operations, financial position and earnings.

Reputation and brands

The Company is dependent upon its reputation and the strength of its reputation and brands. These are important for both new and existing customers in their choice of supplier. Quality, operational or technical problems and the loss of existing customers may damage Zutech's reputation and brands. Further, the Company's reputation and brand may be negatively affected if employees or persons linked to the Company commit unethical or criminal activities or breach the Company's internal guidelines and policies. If the Company's trademarks, brand and reputation are damaged, this could have a negative impact on the Company's operations, financial position and earnings.

Sales and marketing channels

The Company's growth is dependent on the establishment of collaborations with sales and marketing partners and other distribution channels. There is a risk that the Company's agreements with sales and marketing partners and other distribution channels cannot be entered into on beneficial terms, or that agreements that have been entered into will be observed by contracting parties. If important sales and marketing channels collaborations cannot be entered into, are terminated or work unsatisfactorily, this could have a negative impact on the Company's operations, financial position and earnings.

Legal risks

The Company has operations in a number of overseas jurisdictions and is exposed to a range of different legal and regulatory regimes. This gives rise to risks relating to labour practices, foreign ownership restrictions, tax regulation, difficulty in enforcing contracts, changes to or uncertainty in the relevant legal and regulatory regime and other issues in foreign jurisdictions in which the Company operates. Any of these risks may, if they arise, adversely affect the Company's operations, financial position and earnings.

Tax risks

The Company conducts business in a number of jurisdictions. The business of the Company, including intra-group transactions, are conducted in accordance with the Company's interpretation of applicable tax laws, including regulations of value-added tax and social fees, tax treaties, other tax provisions and requirements of the concerned tax authorities. There is a risk that the Company's knowledge, interpretation and application of such laws, treaties, provisions and requirements are not correct in all respects. There is a risk that the concerned tax authorities will come to decisions that deviate from the Company's interpretation. Due to decisions by the concerned tax authorities, amendments of laws, treaties or other tax provisions, the Company's tax position could change for the current as well as future fiscal years. Such decisions or amendments could, potentially with retroactive effect, have a significant negative impact on the Company's operations, financial position and earnings.

Disputes and legal proceedings

There is a risk that the Company, from time to time, will be involved in court proceedings and/or arbitration proceedings. Such legal proceedings can be time-consuming and costly and there is a risk that they cannot be resolved in a manner advantageous to the Company. There is also a risk, in case of loss in legal proceedings, that the Company will be forced to compensate the opposing party for the costs of the proceeding. Major disputes could thus adversely affect the Company's operations, financial positions and earnings.

Foreign currency exchange risk

The Company has revenues and expenses in multiple currencies. This exposes the Company to two main foreign currency risks.

First, transactions in currencies other than SEK (which is the Company's accounting currency) expose the Company to risks related to short-term currency fluctuations. Unfavourable exchange rate fluctuations will result in outstanding receivables or liabilities being reduced or increased in relation to the Company's functional currencies, and thus impact the conversion to SEK, which could have a material adverse effect on the Company's operations, financial position and earnings.

Second, the use of different functional and accounting currencies imposes long-term currency risks. Long-term weakening of the Company's functional currencies against the SEK results in revenues, expenses and income, including monetary assets, being reported at lower amounts in SEK which could have a material adverse effect on the Company's operations, financial position and earnings.

Risks related to the shares and the Offering

Share related risks

Investing in shares always involves risk-taking. Since a share investment may increase or decrease in value, there is a risk that an investor will not be able to recover the entire invested capital. The development of a listed share depends on company specific factors as well as factors relating to the capital market as a whole. Such factors may also increase the volatility of the share's price. If an active and liquid trading does not develop or does not prove sustainable, this could result in difficulties for shareholders to sell their shares. It is impossible for an individual company to control all the factors that may affect its share price. For these reasons, each decision to invest in the Company's shares should be preceded by careful analysis of the Company in its entirety.

No public trade has occurred with the Company's shares

There has been no public trade in the Company's shares before the Offering and it is therefore difficult to predict the amount of trading or the interest that may be shown in the shares. The Board of the Company has applied for listing of the Company's shares on First North. The listing on First North should not be interpreted as meaning that there will be a liquid market for the shares. If an active and liquid trade does not develop or is not lasting, it may impede the shareholders abilities to sell their shares quickly or at all. In addition, there is also a risk that the market price after the Offering could differ significantly from the sale price in the Offering. Should any of these risks arise, this could have a material adverse impact on the price of the Company's shares.

Subscription undertakings are not secured

The Company has received subscription undertakings from certain external private and institutional investors ("Cornerstone Investors") have undertaken to acquire shares in the Offering at a total of SEK 40 million, corresponding to 80 per cent of the shares in the Offering. However, the undertakings of the Cornerstone Investors are not secured by means of bank guarantees, restricted funds, pledging or any similar arrangement. Accordingly, there is a risk that payment of the purchase price and settlement of the shares for the Cornerstone Investors may not occur in connection with the closing of the Offering as anticipated, which could have a material adverse effect on the completion of the Offering. In addition, the Cornerstone Investors' shares will not be subject to any formal lock-up arrangement, implying that it is possible that the Cornerstone Investors may divest part or all of their respective shareholdings at any time. Any sale of substantial amounts of the shares could cause the market price of the shares to decline.

Trading on an unregulated market

The Board of the Company has applied for a listing of the Company's shares on First North. First North is a multilateral trading facility (MTF) which does not have the same legal status as a regulated market. Companies with shares listed on First North are not obliged or required to comply with the same rules as companies with shares traded on a regulated market, but to less extensive rules and regulations. Such rules and regulations are preferably adapted for smaller and growth companies, for which reason an investment in a company listed on First North may imply more risk than an investment in a company with shares traded on a regulated market.

Future dividend

Payment of future dividends depend on several factors, such as future results, financial position, cash flow, working capital requirements, cost of investments and other factors. The Company is in a phase where priority is put on exploiting the growth opportunities that have been identified. As a result, shareholders should not expect to receive any, or very low, dividends in the next few years. As long as no dividends are provided, the return of an investment depends solely on the share's future price development (please be referred to the section "Dividend policy and dividend" for more information).

Currency risks

The Company's shares will be traded in SEK only and any dividend that may be paid on these shares will be paid in SEK. Investors with a reference currency other than SEK may therefore be adversely affected by a decline in the value of SEK in relation to the reference currencies of the respective investors. Such investors may also be affected by additional transaction costs arising from the exchange of SEK to other currencies.

Concentration of ownership

At the date of the Prospectus, 48.11 per cent of the shares are owned by Brian McGuire. After completion of the Offering, Brian McGuire will own in aggregate 32.5 per cent of the shares in the Company, based on a share price of SEK 24 and assuming that the Offering and the Oversubscription Issue are fully subscribed. Thus, Brian McGuire is likely to continue to exercise significant influence over all matters requiring shareholder approval (including election of directors, amendment to the Company's articles of association, issuance of shares and the payment of dividends), and may also be able to prevent a change in control or take other measures that may benefit Brian McGuire but which may put other shareholders at a disadvantage. Conflicts of interest

between Brian McGuire on one hand and the interest of the Company or its other shareholders on the other hand could have a material adverse effect on the Company's business, financial position and earnings. Furthermore, a sale of a large number of the Company's shares by Brian McGuire within a short period of time could cause the price of the Company's share to fall, making it more difficult for the Company to raise capital through future offers of shares or to acquire other companies with the shares as payment.

Participation in future rights issues

If the Company issues new shares, as a general rule, the shareholders have the pre-emptive right to subscribe for new shares in proportion to the number of shares held prior to the issuance. However, shareholders in countries other than Sweden may be subject to restrictions that prevent them from participating in such rights issues and/or restrict and impede their participation in other ways. For example, shareholders in the US may be prevented from subscribing for new shares unless the shares and the subscription rights are registered in accordance with the Securities Act, provided that no exemption from the registration requirements under the Securities Act is applicable. Shareholders in other jurisdictions outside Sweden may be similarly affected if the subscription rights and the new shares being offered have not been registered with, or approved by, the relevant authorities in such jurisdictions. The Company has no obligation to submit registration documents under the Securities Act or apply for similar approval under the laws of another jurisdiction outside Sweden regarding subscription rights and shares, and doing so in the future could be impractical and costly. To the extent that the Company's shareholders in jurisdictions outside Sweden are not able to exercise their rights to subscribe for new shares in any future rights issues, their proportional interest in the Company will be reduced and their holdings would be diluted and decrease in value.

Dilution through future share issues

The Company may issue new shares and equity-related instruments to raise capital in the future. All such issuances could reduce the proportionate ownership and voting rights as well as earnings per share for holders of shares in the Company. Moreover, any share issues could have a negative impact on the market price of the shares.

Listing of shares is conditional upon meeting the distribution requirements of First North

Pursuant to First North Rulebook, there must be sufficient supply and demand for an issuer's securities in order to achieve a functioning price mechanism. According to the rules, Nasdaq will consider this requirement to be satisfied if a sufficient proportion of the issuer's securities are held by the public and if the issuer has a sufficient number of holders of securities in excess of a certain amount, known as the "distribution requirements". Failure to meet the distribution requirements may result in a rejection of the application for a listing of the shares. The Company's shares could be delisted in the event that the Company does not fulfil the distribution requirements in the future.

INVITATION TO SUBSCRIBE FOR SHARES IN ZUTEC

On 16 February 2018, the Board resolved, with the authorization from the extraordinary general meeting held on 8 February 2018, to raise capital and diversify its ownership base by inviting the general public and institutional investors to subscribe for shares in the Company. Accordingly, the Board has applied for admission for trading of the Company's shares on First North. Investors are hereby invited to subscribe for shares in Zutec in accordance with the terms presented in this Prospectus.

The Offering comprises 2,083,334 newly issued shares, corresponding to approximately 29.4 per cent of the total number of shares and votes in the Company after the Offering. The offering price of SEK 24 has been determined by the Board in consultation with Remium. Based on this offering price, the value of all shares in Company prior to the Offering is approximately SEK 120 million and approximately SEK 170 million after the Offering. In addition, the Company has committed, in accordance with an agreement between the Company and Remium, to conduct an Oversubscription Issue meaning that a maximum of 312,500 additional shares, corresponding to a maximum of 15 per cent of the number of shares in the Offering, and 4.2 per cent of the maximum number of shares in the Company after the Offering, if the Offering is oversubscribed. The Oversubscription Issue may be fully or partly exercised within 30 calendar days from the day on which the Company's shares are listed on First North. If the Offering is fully subscribed and the Oversubscription Issue is exercised and subscribed in full, the total number of shares in the Company will increase by 2,395,834 shares, corresponding to approximately 32.4 per cent of the total number of shares and votes in the Company following completion of the Offering and the Oversubscription Issue.

The Offering is expected to provide Zutec with proceeds of approximately SEK 50 million before transaction costs, which are expected to amount to SEK 7.9 million. If the Oversubscription Issue is fully subscribed, the Company will be provided additional funds of SEK 7.5 million before transaction costs, which are expected to amount to SEK 0.5 million. Thus, the total value of the Offering and the Oversubscription Issue will not exceed SEK 57.5 million.

The new shares in the Offering are issued with authorization from the extraordinary general meeting held on 8 February 2018 and in deviation of the shareholders' pre-emptive rights. Through the Offering, the Board seeks to increase the Company's share capital by an amount not exceeding SEK 416,666.8 and to increase the number of shares in Company by 2,083,334. For current shareholders who do not wish to participate in the Offering, this corresponds to dilution of approximately 29.4 per cent of their share in the total equity and the total number of votes in the Company. Through the Oversubscription Issue, the Company's share capital will increase by an additional amount of SEK 62,500 by issuance of 312,500 additional shares. If the Oversubscription Issue is fully utilized and fully subscribed, the total number of shares in the Company will thus increase to a maximum number of 7,395,834 shares, corresponding to a dilution of the current shareholders of approximately 32.4 per cent.

Stockholm, 16 February 2018

Zutec Holding AB (publ)

The Board of Directors

BACKGROUND AND RATIONALE

Zutec is a SaaS company which provides software solutions tailored towards the construction and facilities management industries, which are among the least digitized sectors globally. The industries' productivity has been substantially depressed compared to other more adaptive sectors. Zutec's software allows its users to manage, store and share data, manage processes and workflows which all combines to reduce costs, errors and avoid the delays of projects which are rampant in the construction industry.

Zutec's software has been used on over 300 projects on three continents, by some of the world's largest construction companies. Among these projects are Wembley Stadium and the Shard in London; the Cleveland Clinic and Zayed University in the United Arab Emirates and the new port and airport in Doha, Qatar. Zutec's products are highly regarded on the market, which is reflected in the strong growth Zutec has experienced over the past few years.

Zutec has its roots in Dublin, Ireland through its subsidiary Zutec Inc. (Ireland) Ltd., which was founded in 1999 by the current Chairman Brian McGuire. Brian McGuire and the team that the Company has assembled over the years, has an extensive background within construction and engineering. This has been a deciding factor behind Zutec's success, as the Company's staff has firsthand experience with the challenges that the industry faces.

The Board of Directors believes that the Company's products are class leading within its niche and that the Company is at a juncture where it should shift from being a development driven company to expanding its sales organisation. Zutec is currently profitable and could fund its expansion with internally generated funds, albeit at a slower pace. The Board further believes that an injection of growth and working capital now would allow Zutec to become a true market leader globally.

The Board of Directors of Zutec have decided to raise capital and to list the Company's shares on First North. This will not only allow the Company to fund a rapid expansion of its organisation, but it will add to the international profile of it and legitimize Zutec in the eyes of potential customers.

Through the Offering, the Company can raise maximum funds of SEK 57.5 million, including the Oversubscription Issue, before costs associated with the Offering. The proceeds will primarily be used as growth capital for expansion of Zutec's sales operations by opening new regional offices in strategic locations globally and as working capital for the extensive tender procedures which are common in the building and construction industry. Approximately 70 per cent of the proceeds are to be used for these activities. The remaining proceeds will be used to further develop the Company's products, which will increase the added value for the Company's customers and allow Zutec to capture more of the customers' spending on digital tools.

Stockholm, 16 February 2018

Zutec Holding AB (publ)

The Board of Directors



"We have developed a class leading and flexible software. Our solutions are used by the world's largest construction companies in enormous projects. We are growing rapidly while maintaining a high profitability"

LETTER FROM THE CEO

Dear investor,

In a recent report by McKinsey Global Institute, it was found that the construction industry is the second least digitized industry worldwide.¹ This fact combined with the SaaS-megatrend presents Zutech with an enormous opportunity. The Company stands ready to accelerate its already rapid growth with a timely infusion of working capital.

Zutech Inc. (Ireland) Ltd. was founded in 1999 by Brian McGuire who had a vision of digitizing the building hand over process, the inspiration for this came from a project Brian was working in which the process consisted of producing and delivering about 14 wheelbarrows of binders and printed manuals. Brian and current CTO Michael White, started out by utilizing CDs to alleviate the burden of paper. Today, the vision is the same but this process and many more are entirely digitized through Zutech's cloud software solutions. Recently while working on the new airport in Abu Dhabi, the Zutech team was able to shorten the process time for work inspections from an average of 21 days to a mere 2.2 by using in field data collection and online reporting.

We have developed class leading and flexible software, which is deployed by some of the world's largest construction firms on the greatest of projects. We have accomplished this as a development driven firm, with a limited but efficient sales team. We know that our products are ready for more and are now looking to expand to new markets, in a first stage the Nordics, Europe and North America. With an injection of capital, there is an opportunity to become a market leader serving a severely under digitized sector. We will do this by expanding our sales organisation and opening regional offices in select markets, while further developing our software to increase its functionality and added value.

You may wonder why an Irish company is coming to Sweden and First North: with Brexit on the horizon, we see this as the best stepping stone for us to become a truly international company. Nasdaq has a great reputation within technology and having undergone the listing process will legitimize us in the eyes of clients, particularly in North America.

We attribute our past, present and future success to a number of things; our skilled development team, which we will continue to invest in to ensure our position as a technological leader; our strong background within our customers' field, which gives us credibility and understanding of their problems and of course our close relationships with our customers, which allow us to create what they want – not what we say they need.

On behalf of our entire team, Board and shareholders, I would like to invite you to join our journey that will provide us, our investors and our clients a platform to grow from.

Stockholm 16 February 2018

Brendan O'Riordan, CEO

Zutech Holding AB (publ)

¹ The digital future of construction, McKinsey & Company, October 2016

TERMS AND CONDITIONS

The Offering

The Offering comprises 2,083,334 newly issued shares offered by Zutech. The subscription price is SEK 24 per share, which corresponds to a total offering of SEK 50 million. The shares in the Offering are issued in deviation of the shareholders' pre-emptive rights. The share capital of the Company will increase by a maximum of SEK 416,666.8, and will amount to SEK 1,416,666.8 if the Offering is fully subscribed (excluding the Oversubscription Issue). The Offering is directed to the general public in Sweden and institutional investors in Sweden and abroad.

The issuer is Zutech Holding AB (publ), corporate registration number 559136-0317. The shares in the Offering are ordinary shares and have the ISIN code SE0010869487.

Oversubscription Issue

The Company has committed, in accordance with an agreement between the Company and Remium, to issue a maximum of 312,500 additional shares, corresponding to a maximum of 15 per cent of the number of shares in the Offering, and 4.2 per cent of the total maximum number of shares in the Company following the Offering, at a subscription price SEK 24, if the Offering is oversubscribed. If the Offering and the Oversubscription Issue are fully subscribed, the total number of shares in the Company will increase by 2,395,834 shares, corresponding to approximately 32.4 per cent of the total number of shares and votes in the Company after the Offering. The Oversubscription Issue may only be utilized for the purpose of covering any oversubscription in the Offering.

The subscription price

The subscription price has been determined by the Board in consultation with Remium and amounts to SEK 24. The same price applies to both institutional investors and the general public and corresponds to a total market capitalization of the Company of approximately SEK 120 million prior to the Offering. Brokerage commission will not be charged. The subscription price was obtained through two valuation methods. The first method was a comparable analysis, in which a valuation was obtained through the valuation multiples of publicly traded comparable companies. In the comparable analysis, the Company's turnover, turnover growth and profit were put in relation to the share price. In addition, a discounted cash flow analysis has been performed, in which the future cash flows the Company expects to generate have been discounted and aggregated to a present value with an appropriate cost of capital. The variable considered in particular was the Company's potential turnover growth, profit margins and cost of capital. The cost of capital was estimated using market interest rates, market risk premiums and comparable companies' share prices. The Board is ultimately responsible for the subscription price in the Offering.

Subscription period

Applications for subscription shall be made during the period between 20 February 2018 and 5 March 2018. The Board, in consultation with Remium, reserves the right to extend the subscription period and payment date. Any extension of the subscription period will be announced through a press release before the end of the subscription period.

Application to subscribe for shares

Application to subscribe for shares in the Offering shall be made using a special application form, which shall be submitted to Hagberg & Aneborn during the subscription period to the address below. Completed application forms shall be received by Hagberg & Aneborn no later than 5 March 2018, at 15:00 CET. Application forms distributed by ordinary mail should be sent in due time before the last day of the subscription period.

An application to subscribe for shares in the Offering shall comprise a minimum of 250 shares. There is no limit on the maximum number of shares that can be subscribed. Applications are binding. If multiple applications are submitted by the same subscriber, only the last registered application will be considered. Applications submitted to late, as well as incomplete or incorrectly completed application forms, may be ignored. Please note that applications are binding.

Hagberg & Aneborn Fondkommission AB

Subject: Zutech

Valhallavägen 124

SE-114 41 Stockholm

Tel: 08-408 933 50

Fax: 08-408 933 51

E-mail: info@hagberganeborn.se (scanned application form)

Persons that apply for subscription of shares must have a securities account or securities depositary account with a bank or other securities institution to which allotted shares may be transferred. Persons who do not have a securities account, a securities depositary account or equivalent must open one before the application form is sent to Hagberg & Aneborn. Please note that this may take some time.

Please note that for those who wish to use securities accounts/depositary accounts with specific rules for security transactions, for example an Investment savings accounts (sw. Investeringsparkonto (ISK)) or an Endowment insurance (sw. Kapitalförsäkring (KF)) must check with the bank or the financial institution managing the account or offering the insurance if it is possible to subscribe for shares in the Offering and how such subscription is to be made. In such case, application shall be made in consultation with the bank or financial institution managing the account or offering the insurance.

The application form is available on the Company's website, (www.zutech.com), and on Hagberg & Aneborn's website, (www.hagberganeborn.se).

Application for subscription via Nordnet

Customers of Nordnet's depositary accounts may subscribe for shares via Nordnet's Internet service no later than 4 March 2018, at 23:59 CET. To avoid the risk of losing the right to any allocation, depositary account customers in Nordnet must make sure that funds corresponding to at least the amount of the application are available from 23:59 CET on 4 March 2018 until the settlement date, which is expected to take place on or about 9 March 2018. Additional information on application for subscription via Nordnet is available on (www.nordnet.se).

Investors resident outside Sweden

Investors residing in Ireland shall apply for subscription in the Offering by contacting Hagberg & Aneborn. Hagberg & Aneborn may be contacted by email on [info\(@\)hagberganeborn.se](mailto:info@hagberganeborn.se) or by phone on +46 8-408933 50.

Investors residing in Norway and Finland shall apply for subscription in the Offering by contacting Nordnet. More information regarding the application procedure for investors residing in Norway and Finland is available on Nordnets website (www.nordnet.se/ipo) and on the addresses set out below.

Nordnet Bank AB Suomen sivuliike

E-mail: [asiakaspalvelu\(@\)nordnet.fi](mailto:asiakaspalvelu@nordnet.fi)

(www.nordnet.fi)

Nordnet Bank NUF

E-mail: [kundservice\(at\)nordnet.no](mailto:kundservice@nordnet.no)

(www.nordnet.no)

Allotment

The allotment of shares in the Offering will be based on demand. The allotment will be determined by the Company's Board of Directors in consultation with Remium. The primary purpose is to achieve the required distribution of ownership to the general public to ensure regular and liquid trading in the Company's share, as well as achieving the desired amount of ownership among institutional investors. The allotment is not contingent on when the application is made during the subscription period or if subscription is applied for electronically or via application forms.

In the event of the Offering being oversubscribed, an investor may be allotted a smaller number of shares than the number of shares applied for, or no shares at all. Allotment may be based in whole or in part on a random selection among subscribers.

Notification of allotment

Notification of any allotment of shares is received via settlement notes, which are expected to be sent out to subscribers who have been allotted shares on or about 6 March 2018. Subscribers who are not allotted any shares will not be notified.

Notification of any allotment for persons applying for subscription via Nordnet's Internet service will be notified

through delivery of shares the subscriber's depositary account with Nordnet subject to concurrent charge of payment, which is expected to take place on or about 9 March 2018, at 09:00 CET.

Payment

Allotted shares shall be paid for according to instructions on the settlement note not later than three (3) business days following issuance of the settlement note. The expected settlement date is 9 March 2018. If payment is not settled on time, the shares may be transferred to another party. Should the price in such transfer be less than the price in the Offering, the original subscriber may become liable for the difference between them.

Payment via Nordnet

Allotted shares will be delivered to the subscriber's depositary account with Nordnet subject to concurrent charge of payment, which is expected to take place on or about 9 March 2018.

Insufficient or incorrect payment

In case of excess payment, Hagberg & Aneborn will arrange for the exceeding amount to be repaid to the subscriber. No interest will be paid for the exceeding amount.

Delivery of shares

Delivery of shares to securities account or securities depositary account indicated on the application form will take place when allotted and paid-up shares have been registered with the Swedish Companies Registration Office (sw. Bolagsverket), which is expected to take place on or about 13 March 2018. Thereafter, the bank or another financial institute will give notice to the subscriber stating the number of shares that have been registered in the recipient's securities account. Shareholders whose holdings are on a securities depositary account in a bank or are nominee-registered will be notified in accordance with the procedures of the respective bank or nominee.

Announcement of the outcome of the Offering

Following the subscription period the outcome of the Offering will urgently be announced through a press release which will also be available on the Company's website, (www.zutec.com), which is expected to take place on or about 6 March 2018.

Terms and conditions for completion of the Offering

The Offering is conditional upon (i) that Remium deems the interest in the Offering to be sufficient for a satisfactory trading in the Company's share, (ii) that Nasdaq approves the Board of Directors' application for the Listing and (iii) that no events occur which could have such materially negative effect on the Company that it would be inappropriate to complete the Offering ("Material negative events"). Such Material negative events may, for example, be of economic, financial, or political nature and may relate to material negative events in Sweden as well as abroad. When determining if the interest in the Offering is sufficient for a satisfactory trading in the share, factors such as the number of received applications and the aggregate

amount applied for will be taken into consideration. This assessment is made by Remium. If the conditions stated above are not fulfilled, the Offering may be cancelled. In that case neither delivery of nor payment for shares will be completed in conjunction with the Offering. If the Offering is cancelled, it will be announced through a press release no later than on 5 March 2018 and received applications will be disregarded. If the interest in the Offering is not sufficient to meet this minimum requirement, the Offering will be withdrawn and the Company's share will not be listed on First North. Once trading in the Company's share has commenced on First North, the Offering cannot be retracted.

Listing on First North

The Board has applied for Listing of the Company's shares on First North, a multilateral trading facility (MTF) which does not have the same legal status as a regulated market. Provided that the application for the Listing on First North is approved, the expected first day of trading of the Company's shares is 15 March 2018. A condition of approval is that the distribution requirements for the Company's shares are met by the first day of trading. The Company's shares will be traded on First North under the ticker symbol ZUTEC and the ISIN code SE0010869487.

Entitlement to dividends

The offered shares carry the right to dividends from the first dividend record date following the admission for trading of the Company's shares on First North. Dividends, if any, are paid following a resolution by the shareholder's general meeting. The payment will be administered by Euroclear Sweden, or, in the case of nominee-registered holdings, in accordance with the procedures of the respective nominee. For additional information, see "Shares, share capital and ownership – Dividend policy and dividend".

Information about handling of personal information

Anyone subscribing for shares in the Offering will submit certain information to Hagberg & Aneborn or other placing agents. Personal information submitted to Hagberg & Aneborn or other placing agents will be processed in computer systems to the extent required to provide services and manage customer arrangements. Personal data obtained from sources other than the subscriber may also be processed. The personal data may also be processed in the computer systems of companies or organizations with which Hagberg & Aneborn and other placing agents cooperate.

Subscription commitments

A number of external private and institutional investors have committed to subscribe for shares in the Offering corresponding to a value of SEK 40 million, which is equivalent to 80 per cent of the total number of shares in the Offering. These subscription commitments will be prioritised in the allotment of shares in the Offering. The subscription commitments do not entitle to any remuneration or other compensation. For more information about the subscription commitments, please refer section "Legal considerations and supplementary information".

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INDUSTRY OVERVIEW

The Prospectus includes information concerning Zutech's future markets and other information and data related to the business. Unless otherwise indicated, all information and data about market, growth, trends and size as specified in this Prospectus is Zutech's overall assessment based on both internal and external sources. Zutech has strived to use the latest available information and data from relevant third-party sources. Information and data obtained from various external sources, has been accurately reproduced in this Prospectus. Although Zutech regards these sources as reliable it cannot be guaranteed that this information is accurate or complete as Zutech does not have access to the facts and assumptions underlying such market data, or statistical information and economic indicators contained in these third-party sources. Certain statistics in this Prospectus have been compiled by Zutech, in some cases on the basis of various assumptions. Market statistics presented in this Prospectus are uncertain and no guarantee can be given regarding their accuracy. However, as far as Zutech is aware and can confirm by comparing this to other information published by third-parties from which the information has been obtained, no material information has been omitted in a way that would render the reproduced information erroneous or misleading. Some words and expressions used throughout the Industry Overview and the Business Overview have been defined in "Certain Definitions".

Introduction

Zutech operates in the market for SaaS data management and collaboration tools, primarily within the building and construction segment. The Company has seen a huge increase in SaaS services during the past few years. The market is quickly adapting to new services and is aiming to help enterprises become more effective and cost efficient.

While there are many solutions for project and document management, the Company sees that its product offering, which is a combination of services from a number of SaaS-segments, has a good opportunity to become marketing leading within the building and construction sector. The Company's solutions include software for project, data, document and defect management, handover and sign off and ongoing operations and maintenance. Zutech has integrated mobile solutions and three-dimensional modelling into its product portfolio and that it is highly valuable to those customers who are ready for the technological revolution that the construction sector will undergo.²

The Company and its solutions fall within the framework of a number of segments within SaaS. These include; Enterprise Resource Planning ("ERP") being platforms for IT and Information management, Enterprise Content Management ("ECM"), which allows users dealing with the process of creating, editing and sharing data. The Company operates in a niche segment towards building and construction, which overlaps ERP and ECM. Zutech calls this segment Building and Construction Collaboration Services ("BCCS"). The mentioned segments are further described below.

About SaaS

Software as a Service

The idea of cloud-based SaaS is for providers to deliver software which is centrally hosted and accessible from anywhere with Internet connection. The service is often licensed on a subscription basis and has grown popular during recent years as an alternative to traditional local service software.

SaaS offers organizations tangible benefits, they can efficiently collaborate and share work flow and content no matter the size or location of it. As the service is hosted through the provider, clients benefit from lower hardware and IT support costs. Updates can easily be pushed out to all users simultaneously to keep up with their need, which improves the stickiness of the software. Due to connectivity, work within SaaS platforms can be monitored in real time.

Estimated Market Value, SaaS: USD 71.2 billion globally in 2018. It is estimated to reach a market value of USD 9.2 billion in 2020, growing at a compound annual growth rate ("CAGR") of 18 per cent.³

Enterprise Resource Planning

ERP solutions includes a variety of services but can largely be defined as platforms where a variety of software can be combined and synchronized. ERP helps its users to analyse data collected across different user areas and can be used to combine services such as payroll, CRM, inventory management, bookkeeping and Project Management, among others. Some ERP companies focus on delivering platforms to which other providers may connect their services, some also offer modules for those services mentioned above.

Estimated Market Value, ERP: the ERP market is estimated to reach a value of USD 40 billion in 2020, growing at a CAGR of 6.9 per cent from the 2015 level.⁴

² Digital in Engineering and Construction – The Transformative Power of Building Information Modeling, The Boston Consulting Group, March 2016

³ Press release from Gartner, Inc., October 2018 – (www.gartner.com/newsroom/id/3815165)

⁴ Global Enterprise Resource Planning Market - Growth, Trends & Forecasts to 2021, Research and Markets, November 2017.

Enterprise Content Management

ECM is, not unlike ERP, also a collective term which covers services such as document management, collaboration, workflow management, capturing and scanning etc. ECM-services could be described as tools to manage the life-cycle of information from creation to disposal. The aim is to simplify processes such as storage, security, process routing, defects and upgrade history.

ECM platforms solve essential challenges in preserving a company's or a project's internal information. That information could often be unstructured, especially within projects with many different users and types of data, as is the case within large building projects. Therefore, ECM solutions are often focused on business to employee (B2E), business-to-government (B2G). Accordingly, there are many opportunities for platforms within SaaS- solutions.

Estimated Market Value, ECM: the 2018 market value is estimated to USD 34.2 billion and is expected to grow at a CAGR of 13.1 per cent until year 2021 reaching USD 49.5 million.⁵

Building and Construction Collaboration Services

BCCS refers to the segment of collaboration solutions that is tailored towards the building and construction industry, which is the field Zutec serves. The building and construction industry is the second least digitized industry out of 22 sectors studied in a McKinsey report, it outranks just the agriculture and hunting sector.⁶

The BCCS segment as defined by the Company also includes services employed on late stage and completed construction projects. Such services include facilities management and asset management, which are a part of Zutec's product offering.

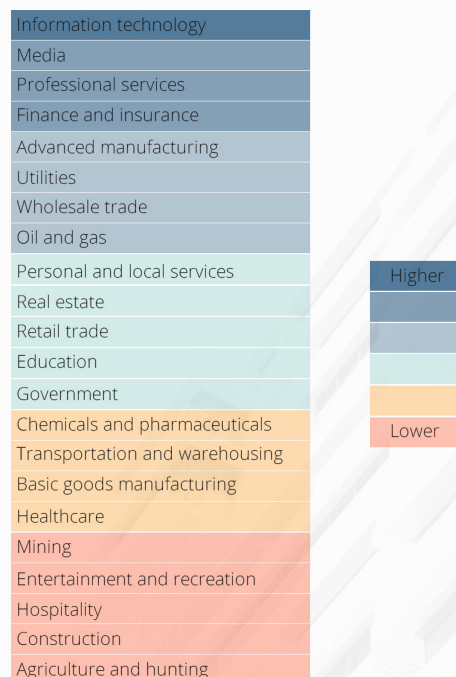
Zutec aims to be an all-encompassing service provider within the BCCS field, and to cover all those areas mentioned above on one platform. Projects within construction tend to generate large amounts of information spread among various parties. A BCCS-solution is to gather all information in one place, making it available, easily managed and usable throughout a building's entire life cycle. Typical solutions within BCCS are project management, accounts receivable ledgers, asset management, process and time management, construction management, BIM 3D-modeling, defect management, asset data, bid and tender processes and handover solutions.

Estimated Market Value, BCCS: The Company interprets the BCCS segment as a mix of all the SaaS-segments mentioned in this section. The market value can therefore vary depending on the estimation method. The Company estimates the market value of the BCCS sector to be USD 2 billion in 2017, and that the market will grow by 15 – 20 per cent annually.

Significant Industry Trends and Drivers

The Company believes that this generation's greatest technological advancement is the Internet. There are many factors driving digitization, this section will further present the Company's view on significant trends related to BCCS.

McKinsey Global Institute Digitization Index



The table illustrates the degree of digitization in various sectors. It is based on the report "The digital future of construction" by McKinsey & Company from October 2016

⁵ "Enterprise Collaboration Market by Component, Solution(..)Vertical and Region - Global Forecast to 2021", Markets and Markets, January 2017.

⁶ "The digital future of construction", McKinsey & Company October 2016

Digitization within Building and Construction

The Company believes that the information technology paradigm shift, which includes the Internet, the Internet of things and digital technology, is the largest and most important in recent time in terms of digitization, but the building and construction industry is yet in the early stages of adopting these technologies.

There are different project management methods used in a building and construction process depending on where in the building lifecycle the asset is. While pen and paper has been the most prevalent way of documenting snags and defects, project management is today often handled through spreadsheets and physical files. Even if the sector is under-digitized there are positive developments. The Boston Consulting Group («BCG») recently published a report on digitization and the usage of Building Information Modelling in the industry and suggests that executives build their teams including new digital competencies.⁷

Investments in technology within the sector are expected to increase significantly. The KPMG CIO Survey indicated that 56 per cent of construction and engineering companies expect to significantly increase investments in cloud services in the near future. Executives at infrastructure companies overwhelmingly agree that technology will transform their business over the next five years.⁸ 87 per cent of companies plan to change their technology investments and a majority are exploring better ways of managing and utilizing big data.⁹

BCG also estimates that, within ten years, full scale digitization in commercial construction will globally save between USD 0.7 and 1.2 trillion in the construction phase and USD 0.3 to 0.5 trillion in the operations phase. Accordingly, it is clear that industry actors need to increase their efforts within digitization to exploit the potential that can fundamentally revolutionize the sector. Those who fail to do so risk being outcompeted by their peers.

Building Information Modelling ("BIM")

BIM is the production and management of digital representations of buildings and related objects. The digital models are infused with data and can be utilized by all stakeholders throughout the entire building life cycle. BIM solutions help in detecting and averting potential interferences in buildings while optimizing the constructability. There are major issues with today's building processes as project teams struggle to keep information up to date among different groups in a construction project. With BIM, teams can collect, share and review data and models. All parties, such as suppliers; subcontractors and on-site crew are can updated and work at the right time and place. Due to increased mobility and connectivity, cloud solutions allow all this to be shared among parties in real time.

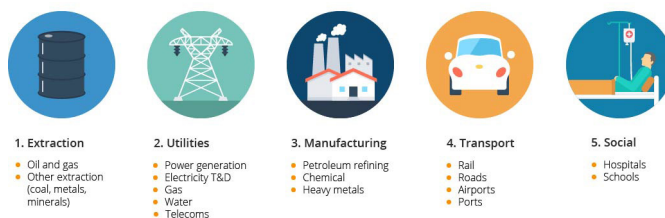
It is believed that BIM represents a huge paradigm shift in the industry and BCG dubbed BIM a "centrepiece of digital transformation in construction and engineering". McKinsey stated in a recent report that among the benefits of using BIM solutions are fewer errors and omissions, less rework and lower costs, making 70 – 80 per cent of contractors believe that BIM has positive return on investment. The report from McKinsey also stated that contractors in all markets are planning significant investments in expanding BIM programs. This is also a consequence of different regulations. For instance, in 2006, the General Services Administration in the US mandated that public buildings must be erected using BIM.

Infrastructure Spending⁹

Global spending on infrastructure was severely depressed over the years following the financial crisis. Many countries ended up with backlogs of needed investments that were not made. However, most parts of the world have recovered, and infrastructure spending is accelerating. PwC estimates that global spending will amount to USD 9 trillion by 2025, which represents an increase of 125 per cent from the 2012 level.

The main drivers are an overall positive economic environment and growth in emerging markets. PwC lists a number of key sectors within infrastructure, these are presented below.¹⁰

Five key infrastructure sectors



Zutec has worked on several projects that relate to these sectors, especially within the transport and social sectors. Various growth projections are presented below in accordance with the PwC report.

US and Canada

The region is expected to make considerable investments in infrastructure. The yearly investment is estimated to USD 933 million per year in 2020, compared to USD 777 million in 2016. This corresponds to a CAGR of 4.7 per cent.

Middle East

Investments in infrastructure in the middle east are expected to grow at a CAGR of 6.2 per cent between the years 2016 and 2020. The total investments per year is predicted to rise from USD 218 million to USD 277 million.

Europe

Western Europe is the most developed market in the world and is now in a mature state. The region spent USD 570 million on infrastructure in 2016, the corresponding amount in 2020 is expected to be USD 624 million, which would imply a CAGR of 2.3 per cent.

Asia Pacific (APAC)

PwC estimates that the APAC market will represent almost 60 per cent of global investments in infrastructure by the year 2025. This is mainly driven by growth in China. The region is expected to spend USD 2,664 million on infrastructure in 2020, which would correspond to a CAGR of 4.7 per cent from the 2016 level of USD 2,217 million.

⁷ Digital in Engineering and Construction – The Transformative Power of Building Information Modeling, The Boston Consulting Group, March 2016.

⁸ Global Construction Survey 2016, Building a technology advantage, KPMG.

⁹ Capital project and infrastructure spending: Outlook to 2025 PwC and Oxford Economics, 2014

¹⁰ Capital project and infrastructure spending: Outlook to 2025 PwC and Oxford Economics, 2014

Procurements

The procurement and tendering processes are well known in the construction industry. The management of these are often time consuming and labour intensive. Those in charge of the processes would benefit from software that aids and automates parts of the data collection. Long lived projects could also re-use data and information for reference in future procurements or extended processes.

Many government authorities in the world have begun to mandate that BIM is used for publicly funded projects. Among these countries are Great Britain¹¹, Finland, France, Germany, the US¹² and South Korea. The Company believes that this will contribute to its development, as Zutecs product offering is already adjusted for many areas of BIM. Mandates for BIM usage aid the construction sector in adopting the tools which are provided by technical forerunners such as Zutec and its peers.

ISO27001

The ISO27001 is an accreditation specified for information security management systems. Achieving such a certification demonstrates that a company is compliant with best practices within information security. It is also an independent verification that the organisation can keep sensitive information for its clients and itself.

According to the Company's analysis clients will come to expect independent certifications such as ISO27001 from software providers such as Zutec. In certain cases it is already a requirement if a provider is to be considered for a procurement process. Zutec has invested time and resources in achieving the requirements and was in January of 2018 certified by IMS International. Other than this, the Company expects that the processes it has adopted during the audit process will benefit Zutec in its daily operations.

Mobility and Improved Connectivity

Due to the rapid development and proliferation of smartphones, clients expect to access all the information they need wherever they are located. This development also can also be discerned in the otherwise lagging construction sector. Zutecs solution that uses data, rather than documents, along with increased bandwidth enables the Company to fulfil the expectations of the clients and win additional market shares. This is expected to be a powerful driving force behind the potential for digitization that exists within the sector.

Notable Industry Participants

At the date of this Prospectus, the Company's view is that there are no direct competitors who provide the same variety and flexibility in their solutions. Even if paper and pencil are the most prevalent substitute – which are gradually phased out due to digitization – there are indirect competitors who offer solutions that can overlap with Zutecs products in functionality. The Company has chosen to list a subset of such actors within different SaaS-segments. Information regarding revenue is sourced from each respective competitor's published financial reports.

ERP Providers

Fortnox (ERP focused on business administration)

Fortnox is based in Växjö, Sweden and is an ERP-provider with a focus on Swedish companies in the micro cap companies with less than five employees. The company mainly provides services to finance departments relating to book keeping.

The company is listed on NFM Nordic MTF in Stockholm and had a turnover of SEK 190 million in 2016.

Jeeves (Wide ERP solution provider)

Founded as a software company in 1992, the company turned to cloud solutions in 2015. Jeeves focuses on delivering an entire ERP package to its clients including services such as logistics management, sales management and manufacturing management.

The company was acquired by Battery Ventures in 2012. It turned over SEK 535 million in 2016.

ECM Providers

SpringCM (ECM focusing on contract management and collaboration)

SpringCM provides a cloud platform that focuses on managing sales contracts and documents. The company seeks to manage the entire contract life-cycle with automated workflows and manual tasks processes. SpringCM was founded in 2005 in Chicago, Illinois.

The company turned over USD 6.7 million in 2016.

Box (ECM focusing on cloud storage and file hosting)

The company was founded in 2005 in California and focuses on data management and file sharing services for businesses. Through its cloud platform and file-hosting, Box can be used for the management of digital documents.

The company is listed on the New York Stock Exchange and turned over USD 399 million in the 2017 fiscal year.

BCCS Providers

Aconex (BCCS focusing on project and document management)

Aconex is an Australian software company founded in 2000. The company focuses on document management and a general system to which externally created modules can be connected.

The company is listed on the Australian Securities Exchange (ASX) and turned over AUD 161 million in the full financial year of 2017. In December 2017, Oracle Corporation announced a public takeover offer of AUD 1.5 billion for Aconex.

¹¹ [https://\(www.\)ice.org.uk/knowledge-and-resources/briefing-sheet/bim-mandate-and-bim-in-legislation-there-is-a-bim](https://(www.)ice.org.uk/knowledge-and-resources/briefing-sheet/bim-mandate-and-bim-in-legislation-there-is-a-bim).

¹² [https://\(www.\)nationalbimstandard.org/](https://(www.)nationalbimstandard.org/)

Bluebeam (BCC focusing on document collaboration)

Bluebeam was founded in 2002 and is headquartered in California. The Company focuses on collaboration tools for designing, editing and sharing PDF documents. The main product is Bluebeam Revu, which is an alternative to Adobe Acrobat (the most commonly used PDF viewing software).

Procore (BCCS with project management solutions)

The company was founded in California in 2003 and began by launching software for construction project management. The company has also developed solutions for the sharing of documentation, planning and data. Procore is seeking to develop additional products and is backed by venture capital.

Summary

Although there are other vendors in the space, there are few or none which provide an equally diverse and wide-ranging offering as Zutec does. The competitors focus on document management while Zutec utilizes the underlying data. The American challengers offer platforms for small projects and builders. Zutec can offer customized solutions for large projects, and is starting to shift towards the market for smaller projects, where the Company sees large growth potential with lesser sales costs in relation to the revenues and shorter sales cycles.

The market for data management within construction is still young. The Company believes that new competitors will enter the market within the coming years. The solutions that Zutec offers are described in the next section..



BUSINESS OVERVIEW

Introduction

Zutec is a SaaS company that provides data and project management software tailored for the construction and facilities management industries. The Company's products have applications for the entire life cycle of a building; from planning to construction and ongoing facilities management. Among the 65 current clients of the Company are some of the world's largest construction firms. Zutec's solutions have helped these firms with over 300 projects in eight countries across three continents. The Company's software is currently deployed on projects worth in total more than USD 38.5 billion USD. These include, among other things; ports, airports and hospitals in Ireland, the United Kingdom, Qatar, the United Arab Emirates, Australia and Italy.

Zutec Inc. (Ireland) Ltd. was founded in Ireland in 1999 by Brian McGuire whose vast experience with designing and managing multi-million projects gave him an unrivalled understanding of the challenges the sector faced. This allowed Brian and his team to develop solutions that solved real problems, and to win the confidence of their clients. The original vision was to eliminate paper from the construction handover process by storing the operations and maintenance manuals on CDs. Today, this process is entirely digital through Zutec's software, which also allows contractors to coordinate processes and share data with builders, architects, project owners and other stakeholders through web and mobile interfaces.



Zutec Timeline



Zutec Inc. Established

Zutec is founded by
Brian McGuire

1999

2000

O&M Manuals

Zutec Offers O&M Manuals
on CD-ROM



Web Based O&M

Zutec builds a web based
O&M platform using Java

2001

2004

Project Collaboration

A new Project collaboration
platform in PHP developed



Wembley Stadium

Zutec is deployed on
Wembley Stadium

2006

2008

Mobile

Zutec starts developing
Mobile Apps



Australia

Zutec expands to
Australia

2009

2010

Middle East

Zutec expands to
Middle East



Cleveland Clinic

Zutec deploys Android App
to Cleveland Clinic Project
in Abu Dhabi

2011

2012

Hammad Airport

Zutec deploys full platform
to Hammad Airport in
Qatar



The Shard

Zutec deployed on
The Shard in London
Bridge Quarter

2013

2014

BIM 3D Viewer

Zutec builds a 3D viewer
to display BIM Models



Multiplex Projects

Zutec begins rolling out its
systems across Multiplex
projects in London

2015

2016

Midfield Terminal

Zutec deployed to Midfield
Terminal in Abu Dhabi



Legion

Zutec release 100 which
includes two new Apps,
QR Scanner & Elevation

2017



Vision

The aim of the Company is to pave the way for the construction industry to finally embrace the digital age by providing class leading software, a wide field of industry knowledge and a willingness to grow and learn at all times.

By connecting all stakeholders and enabling a collaborative work environment in an otherwise traditionally siloed industry, Zutech can become the gold standard of systems.

Business idea

Zutech's business idea is to empower the construction and engineering industry by developing and providing the digital tools it needs to drive productivity and cost efficiency. To do this, it is imperative that the Group continues to develop tools which build on the proven processes already in place in the industry, rather than forcing disruptive tools on a conservative and low margin industry.

Objectives

The objectives of Zutech is to create long term value for its shareholders by achieving positive and consistent growth of the Company's in revenue and profits. Zutech strives to be the global market leader within its niche of software tailored to the construction, engineering and facilities management sectors. Short term goals of the Company include:

- ◇ Expanding to North America and continued growth in Europe.
- ◇ Improving the Company's value proposition by further developing its software solutions and integrating additional technologies. Zutech wants its products to be indispensable for its target clients' operations.

Strategy

Sales and marketing

The Company will leverage its current high-profile projects to acquire new clients. The Company's initial expansion into North America will be through an existing client from Australia and the UK, who is starting operations in the region. This will provide Zutech with a North American reference project and lower the cost and risk of entry in to the market. The Company will initially open local offices in North America and Scandinavia and employ locally in both regions. Zutech will consider establishing partnerships for sales and marketing in certain regions.

Zutech will continue to focus on large infrastructure projects such as hospitals, ports, airports and large commercial developments in new regions as this is where the Company's experience lies. The Company will also target smaller projects and clients, especially with the Company's solutions within operations and maintenance where the profit margins are high.

Zutech's current salesforce is small but considered highly efficient by the Company. The majority of the sales personnel has worked as client consultants and thereby know the product extremely well. Zutech also has dual roles where client consultants assist the sales process by performing demonstrations and client meetings. The Company intends to use parts of the proceeds from the Offering to expand the sales team. The Company will mainly hire staff with backgrounds in construction, as the Company sees itself as a problem solver within construction, rather than a pure software company.

Product development

Zutech aims to build products that become so necessary for the clients that they will continue employ them on future projects; the Company refers to this as its software being sticky. Zutech believes that it can accomplish this by exploiting the Company's engineering background and understanding of the client's problems, as well as by working closely with the clients and offering customization options.

The Company is moving its software solutions to be both flexible and easy to use and deploy. This is an important part of Zutech's scaling intentions: the scalability increases when there is less need for support and interaction with the client after the sales process. Additionally, Zutech will work to incorporate new technologies such as the Internet of things ("IoT") and building management systems ("BMS") in 3D.

Problems within construction and facilities management ¹³

Productivity growth in the construction industry has been stagnant over the past 30 years, in some regions it has even decreased.¹⁴ A major factor behind this has been increased regulation, for instance, in health and safety. The problem is that the industry has not found ways to counterbalance this and other effects. The problems are especially discernable within digitization, compared to other industries.. There is still a strong reliance on pen and paper to manage processes, blueprints, design, procurement, logs, progress reports and punch lists.¹⁵ The inefficiencies are especially palpable for megaprojects; according to a McKinsey report, 98 per cent of such projects experience either delays or cost overruns, the average delay is 20 months and the cost increase is 80 per cent.¹⁶

Some of the problems that the industry faces due to poor-digitization are described below.

Data volumes

The amount and types of data is growing with increased building complexity, increasing amount of stakeholders and technology. The industry is yet to embrace the digital tools necessary to manage and exploit this data and lack the resources and skills to do so.

Data volumes

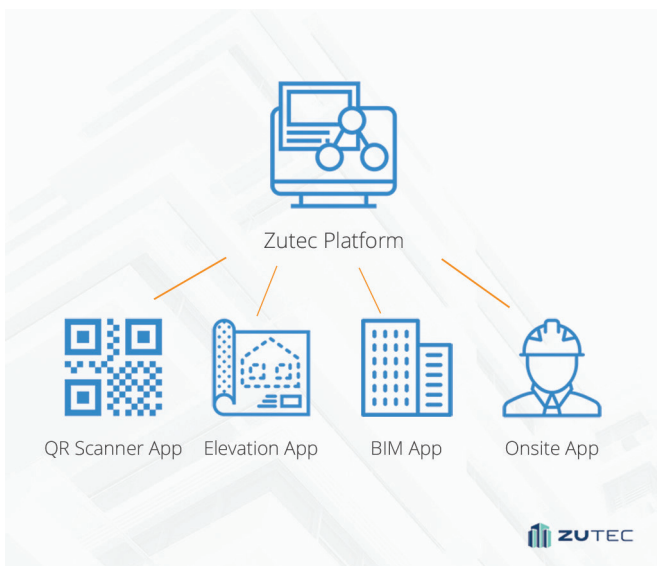
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¹³ KPMG, Global Construction Survey 2016: Building a technology advantage

¹⁴ McKinsey, The Construction Productivity Imperative, 2015

¹⁵ McKinsey, Imagining Construction's Digital Future, 2016

¹⁶ McKinsey, The Construction Productivity Imperative, 2015



Zutec's Solutions

The problems that the construction industry faces with respect to digitization are largely addressed by the solutions offered by Zutec. A key selling point for the Company is that it offers a comprehensive suite of software for all stages of complex construction projects, which reduces the customers' need for multiple providers for incremental functions.

What follows is a brief account of Zutec's software platform and modules, and a description of future products that the Company is considering developing.

Zutec Platform

Zutec's core product is called the Zutec Platform. It is a web-based database with various functions. The functionality can be extended through the various modules that the Company offers. All the data and documents related to a project or building are stored on the platform, from where they can be managed and distributed.

Uses

- ◇ Project Common Data Environment
- ◇ Document Collaboration Tool
- ◇ Operations and Maintenance Manual Collation and handover
- ◇ Maintenance Management
- ◇ Process Management

Features:

- ◇ Collaborative Project Data Management System for Construction Information and Processes
- ◇ Web Access
- ◇ Create Tables and Forms
- ◇ Review Processes
- ◇ User Access Control
- ◇ HTML, XML, PDF Export
- ◇ Report Adapters
- ◇ Event Triggers
- ◇ APIs

Uncontrolled information exchange

The various stakeholders use multiple unsynchronized channels of communication, be it postal, email, phone or on-site communication. They lack integrated communication tools to structure and efficiently collaborate on projects, only 20 per cent of construction firms use a fully integrated project management information system.¹⁷

Information velocity

Up to date information is not always available to all stakeholders at the same time, e.g. on-site workers are working with old blue prints. Proper digital tools would allow for instantaneous sharing and notification of changes to the work flow.

Manual approval processes

Processes which are necessarily bureaucratic are further slowed down by archaic methods.

Errors and repetition of work

Due to the other factors stated here, work may need to be repeated which adds additional costs and delays the project.

Dispute resolution

The inefficient audit methods prolong project hand over and increase risks related to compliance, disputes and litigation.

Lack of skilled staff

Lower and unskilled workers can struggle to obtain and obtain information efficiently. Supplying easy to use systems onsite ensures that even unskilled staff can access information quickly and easily.

Lack of transparency

A real problem facing construction is that individuals and individual companies do not share information across a project, by all parties feeding into the same management system it increases visibility of all aspects of the project.

¹⁷ McKinsey, The Construction Productivity Imperative, 2015

Onsite App

The Zutec onsite app allows users to collect and review data while onsite. Information is synchronized with the Zutec platform where reports can be automatically generated and distributed. It can be used throughout the construction, handover and facilities management phases of a building.



Uses

- ◇ Defect Management
- ◇ Observation Management
- ◇ Onsite Audits
- ◇ Progress data collection
- ◇ Site Diaries
- ◇ Fire Safety Inspections
- ◇ Testing and Commissioning Data Management
- ◇ Any onsite data capture

Features

- ◇ Offline Mode
- ◇ Fully integrated with Zutec Platform
- ◇ Any Data Structure
- ◇ Forms
- ◇ Review Processes
- ◇ Barcode Scanning
- ◇ Attach Photos and Mark-up
- ◇ Pins on Layout Support
- ◇ GPS Location Support

BIM Solutions

Zutec's 3D model viewer allows users to view their project or building in a 3D environment on their mobile device and desktop. It links directly to the Zutec web-based platform allowing any information in the database to be linked to the model. As the 3D model does not hold any data it is quick to load, easy to use and has small file sizes.

Uses

- ◇ Visualisation of progress via element colour changes
- ◇ Access to asset or room data via 3D environment
- ◇ Access to live BMS or IoT data
- ◇ Access to Operations and Maintenance Data
- ◇ Mark up, comment and share

Features

- ◇ An enhanced 3D model viewer that's information rich, and asset ready
- ◇ View Highly Detailed 3D Models
- ◇ Fully integrated with Zutec Platform
- ◇ Group Objects
- ◇ Link to Database
- ◇ Visualise filters from Database
- ◇ Object Search
- ◇ Email Screenshots
- ◇ Measuring Tools
- ◇ Search by Grid

QR Scanner

Zutec's most recent product is a QR-scanner. When a QR or barcode is scanned a user can search for all information related to the object in Zutec's cloud database.

Uses

- ◇ Viewing asset information quickly and easily in the field
- ◇ Viewing room data quickly and easily in the field

Features

- ◇ Mobile QR/ Barcode Scanner for making Asset Information available instantly on mobile devices
- ◇ Fully integrated with Zutec Platform
- ◇ Retrieves files and related data
- ◇ QR Code Support
- ◇ Barcode Support

Elevation

Zutec's Elevation app was recently added to the Zutec product suite. It is a mobile tool that allows users to view, mark up and share drawings in real time from the field while also ensuring that all users are working from the same revision of all drawings.



Uses

- ◇ Accessing current drawings in the field
- ◇ Marking up, commenting and sharing from the field
- ◇ Ensures all parties are working with the same revisions in the field
- ◇

Features

- ◇ Drawings - Managed, Marked and Version Correct on the go
- ◇ Fully integrated with Zutec Platform
- ◇ DWG- and PDF-file support
- ◇ Uses meta data rather than drawings
- ◇ Revision Management
- ◇ Access Control

Future Development and Products

Zutec is considering a number of potential new products to bring to the market. Several of these can easily be integrated into the current software suite with simple updates. Simplifications of the user interface will aid remote deployment and allow the Company to provide remote support. Zutec continuously updates its products and has approximately 4 major releases every year, while releasing numerous small updates in between.

Zutec's vision of simplifying the construction sector is reflected in the Company's upcoming product, which is a tool for communication on building sites. The solution will connect users, data and documents through a simple and integrated tool for chat-messages. At the moment there are a variety of communication tools used on a single site, from texts, emails and other instant messaging apps. By connecting all communications in one tool, the Company can create a solution that doesn't exist on the market today. The Company estimates that such a product will be ready for beta-testing in the middle of 2018.

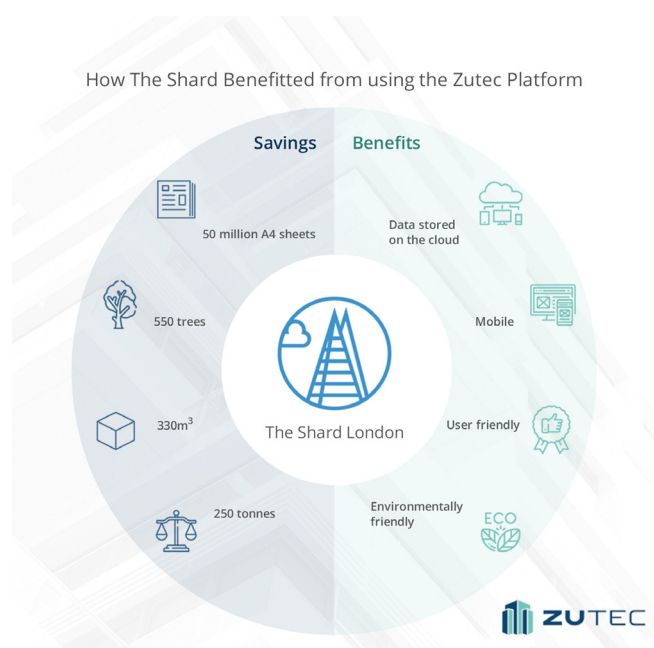
Software customisation

It has always been central to Zutec's offering that the products can be customized beyond their inbuilt customisation tools for larger projects and clients. While working on large projects it is essential to deliver a product that is suitable for that project's particular needs because no two projects are the same. The management believes that Zutec needs to retain its adaptability to remain the go-to system for large projects.

Business model

Zutec's added value

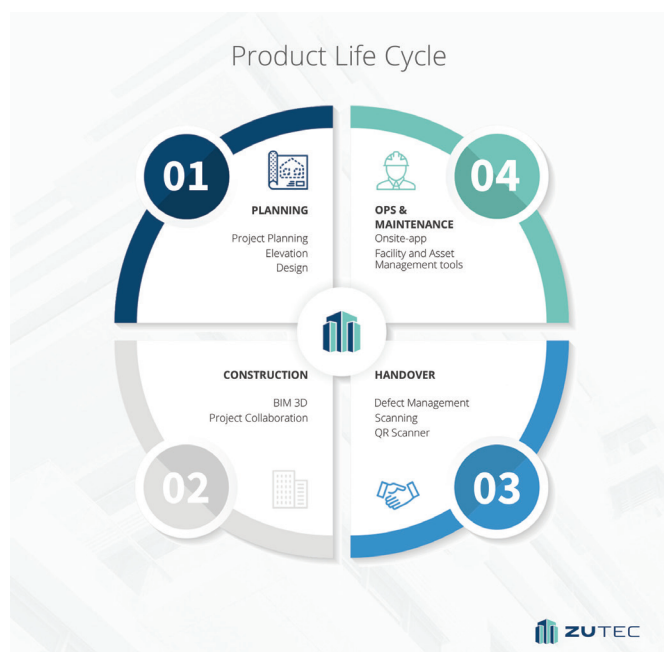
Zutec provides customers with tangible benefits such as increased efficiency, greater project control, reduced cost, fewer errors and easier access and sharing of project data amongst all stakeholders. Zutec provides audit trails, automated updates and the handover of fully commissioned projects online. It also allows for huge savings in terms of physical storage as most project data is cloud based and accessible remotely on the Zutec platform. It was estimated that by using Zutec's software for the Shard in London, 50,000,000 sheets of A4 pages were not printed, these would otherwise have required approximately 550 trees to produce.



By using Zutecs solutions in the construction of the Shard in London, an estimated 50 million A4-sheets were saved from printing. This amount of paper would have weighed 250 tonnes and required 330 cubic metres to store. In extension, the 550 trees that would have been required to produce this amount of paper were saved. Beyond cost savings, the users of Zutecs solutions benefit from the more efficient work processes that they enable.

Zutec and the building life cycle

Zutec has software solutions that cover every phase of a building's life cycle, from design all the way through to ongoing operations and maintenance. The software is generally sold in modules depending on the client's needs. By tying the client's data to the Company's software in the early stages, it becomes natural and convenient for subsequent parties to use Zutec. This is central to the Company's business model and enables it to maintain low costs of customer acquisition for many of its products. The additional modules that Zutec aims to develop will add further services around the building life cycle and allow customers to move additional tasks to the Company's platform. Currently, over 95 per cent of construction projects continue to use Zutec's high profit margin facilities management software upon completion. Growing this hosting income is central to the Company's business model, this is income is basically an annuity with the only associated cost being server space.



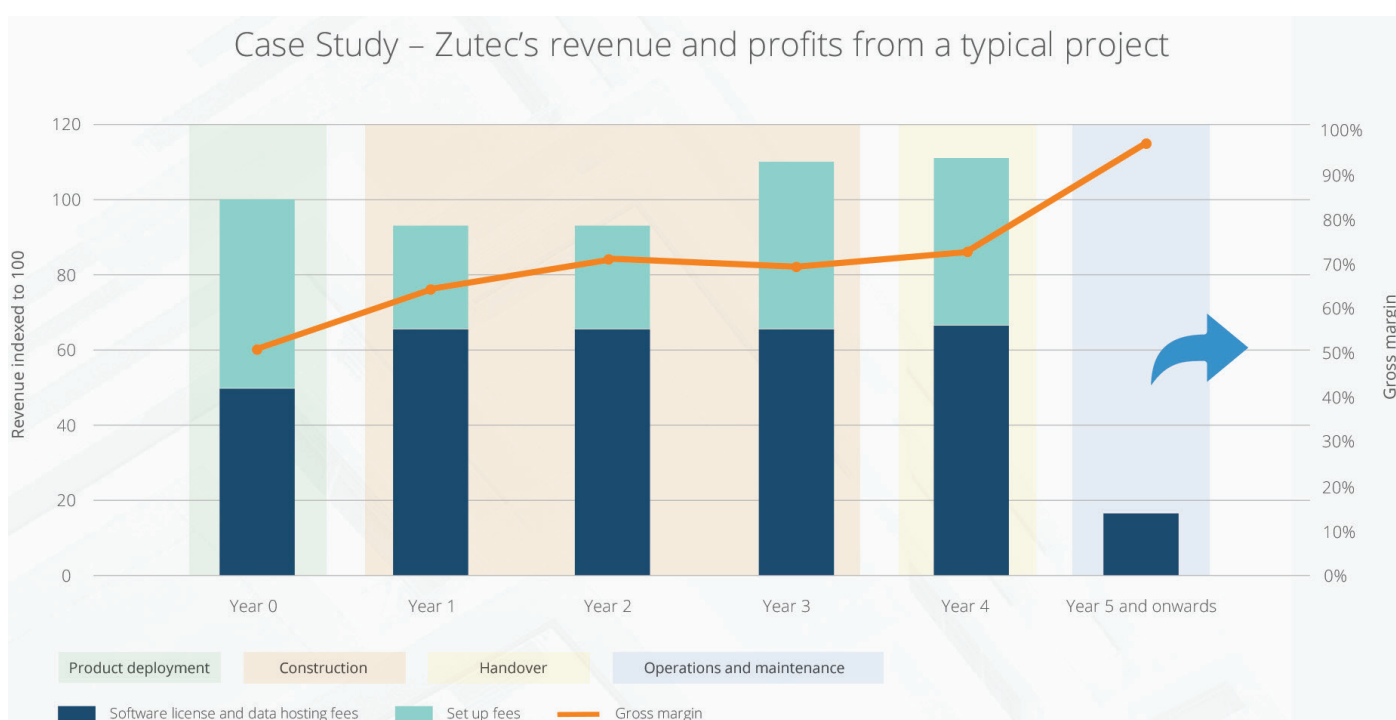
Revenue model

The Company's revenue model is based on the SaaS model, which generates recurring and predictable revenues. The model benefits the Company in many ways, e.g. with capital and risk management. The pricing for the planning and construction phase products is generally some percentage of a construction project's capital size. Billing occurs on a monthly or quarterly basis in equal installments over the project's estimated construction time. On projects that are overdue, the Company continues to charge the same fee until completion. The facilities management software which is used on completed buildings is priced based on the user type and number of users.

On large projects Zutec often works with the client to customise the software to its specific needs; in these cases, the Company charges an upfront setup fee. Similarly, training and support comes as an added charge in the form of a setup fee.

In the below graph the revenue breakdown is as follows:

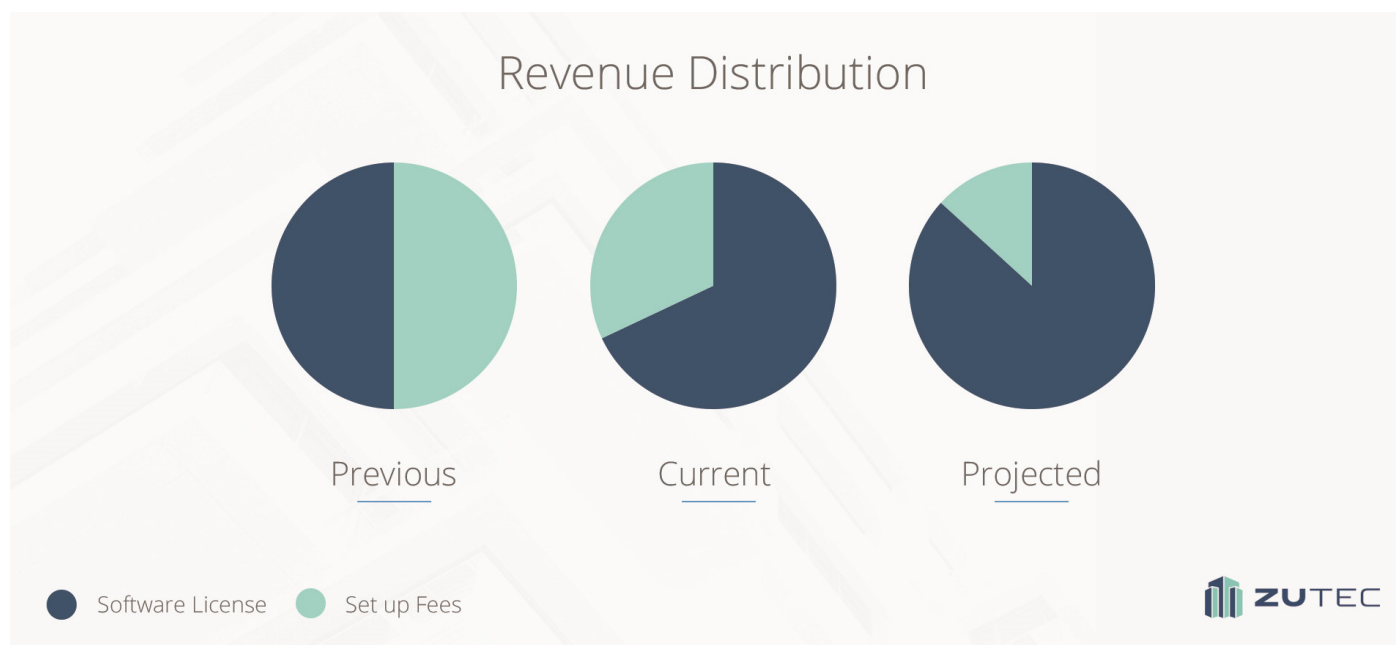
- Y0: 50 per cent Software License and 50 per cent set up fees and customization
- Y1/Y2: 70 per cent Software License and 30 per cent set up fees and customization
- Y3/Y4: 60 per cent Software License and 40 per cent set up fees and customization
- Y5 and onwards: 100 per cent Software License/Data Hosting



The below graph displays the Company's previous, current and projected revenue models for construction stage contracts. 100 per cent of the revenue from facilities management is derived from licensing fees.

Organic dispersion of the Company's products

Zutec has benefitted from working with major construction firms and large projects; on each one, the Company's solutions gain exposure to a multitude of subcontractors who have and can implement them on future projects. Zu-



Sales and marketing

Zutec uses traditional digital marketing methods to sell its products. The goal is to enter into the building life cycle as early as possible to convert the entire project and ongoing facilities management to Zutec solutions. The software is licensed to one entity for each project, the facilities manager can opt to continue hosting their data with Zutec and to use the Company's products.

Projects that are well suited to benefit from Zutec's products are airports, hospitals, large commercial projects and infrastructure projects, among other things. The capital value of the projects typically ranges from SEK 500 million and SEK 100 billion.

Depending on the product and project, Zutec mainly targets key decision makers and gatekeepers at the following types of organizations:

What follows is an account of the various customer types that the Company's sales efforts target. This mainly depends on the product and project, but the Company mainly targets key decision makers at the listed customer types.

Asset owners

The owners commission projects, such as real estate developers, government entities, etc.

Building managers

Are responsible for maintenance and reparation of buildings.

Building and construction firms

The entity in charge of the construction project.

Consultants

Includes architects, designers and others who produce and utilize project data.

tec's software has been adopted as a standard by several global construction and engineering firms. The Company will continue to leverage its current relationships with large firms such as Aecom, Samsung C&T, Brookfield Office Partners, Multiplex and Salam International to obtain repeat orders and exposure of its products.

Direct sales and partnership model

Zutec's sales are primarily made through two different channels; direct sales conducted by the Company, and through partnerships with select partners. Partnerships are generally engaged in specific countries or regions. The Company currently carries out direct sales in Ireland, Great Britain and Qatar through employees, while partnerships are used in Australia, Italy and the United Arab Emirate. Two key factors in deciding whether to engage partnerships are:

1. *Geographical obstacles, which inhibit the Company from carrying out sales directly.*
2. *Language; the Company is more prone to use partners in markets in which English is not a business standard*

Zutec plans to establish direct sales in North America, as the Company is leveraging an existing client of Zutec's Irish operations. If the Company decides to expand to the American west coast it may consider engaging partners.

Zutec will mainly seek partners for individual regions in Europe, the deciding factor will be the language barrier; while the software is easily adaptable to any language, Zutec's sales and support staff is not.

Partnerships

Partnerships will provide income in two ways

1. *A royalty for the use of the Zutec name and brand.*
2. *A percentage of the software licenses sold by the partner will be recouped to the Company.*

Zutec will provide the partners with technical support, along with information and material for sales and marketing. The Zutec website will also be regionalised.

Partners are imperative for Zutec to rapidly scale in new regions. The partners bring a local expertise that is essential when opening new markets. The Company is seeking partners who are currently resellers or partners with other systems, such as energy performance systems or building management systems. The current partner in Italy was introduced to Zutec during the course of a European Commission funded Horizon 2020 project, called HIT2GAP.

History and Background

The Group's operations are mainly conducted through the subsidiary Zutec Inc. (Ireland) Ltd., which is headquartered in Dublin, Ireland.

Zutec Inc. (Ireland) Ltd. was founded in 1999 by Brian McGuire who worked as a project manager on large construction projects, when working on one such project Brian had to deliver his Operation & Maintenance manuals to the client, this consisted of 14 wheelbarrows of A4 folders. Shortly after Brian met Mike White and came up with an idea of a CD-ROM containing a simple database and PDF documents instead of paper documents. In 2004 Mike decided that a cloud based solution was the way forward now that the Internet had firmly taken hold and had the capacity to not only hold and view documents but allow someone to upload documents quickly.

In 2005 Investment from Enterprise Ireland allowed the team to increase in size and start to chase larger projects outside of Ireland.

In 2006 the Zutec Inc. (Ireland) Ltd. team won their first large project, Wembley stadium and the client requested

workflow processes for uploading documents, this really is when Zutec, as it is today was established. From there it became a project management, data management and document management tool that could be used for various processes in the construction industry.

In the years following the financial crisis of 2008, Zutec Inc. (Ireland) Ltd. lost business in the UK and Ireland. Several large projects that were contracted with Zutec were cancelled and stopped, which led to a loss of revenue amounting to about one million EUR over a two-year period. As a consequence, Zutec Inc. (Ireland) Ltd. decided to expand to the Middle East, which the company assessed to be less sensitive to the global macro environment.

In 2009 Zutec Inc. (Ireland) Ltd. won the Melbourne Convention Centre, 2010 came the Cleveland Clinic in Abu Dhabi and the New Doha Airport in Qatar, in 2011 the team were appointed to The Shard project and after that the New Southern General hospital in Glasgow.

In 2011, Zutec Inc. (Ireland) Ltd. developed an Android-application that could be used for building projects. During client trials it became apparent that the application did not compress data enough to make the system operationally viable. Zutec Inc. (Ireland) Ltd. started development with an entirely new application that was more efficient using the programming language FLEX, but the company lost the six months of work that was spent with the original app.

Since then the rise in Zutec has been growing consistently across Ireland, UK, middle East and Australia, at the moment Zutec's solutions are being used on over 70 projects worldwide.

Organisation

Operative structure

The management of Zutech Inc. (Ireland) Ltd. consists of a chief executive director, a chief financial director and a chief technical director; these roles are filled by Brendan O'Riordan, Conor O'Brien and Mike White, respectively. The management is responsible for, among other things; strategy, business development, investments and performance monitoring. For more information about the management, please refer to the section "Board of Directors, Management and Auditor".

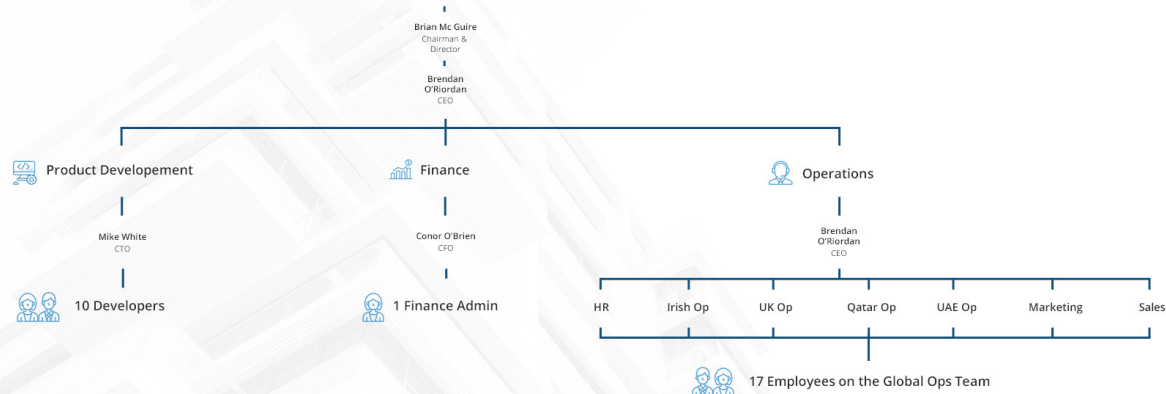
The management of the Company consists of the CEO Brendan O'Riordan and the CFO Conor O'Brien and CTO Michael White.

Employees

Zutech's operations are headquartered in Dublin, Ireland. The city is a growing technology hub and home to some of the world's largest technology companies. These firms have attracted and produced skilled staff which has added to the talent pool available to Zutech. The Company has a strong culture of staff development including continued professional development which is actively encouraged. Zutech also has an internship program through which university students can work alongside their studies. The number of employees in the Group during the period between 1 January 2017 and 31 December 2017 was 23, the number of employees at the end of this period was 31. Eleven of these are employed in R&D, three in sales and marketing, four in upper management with the remainder working in technical support or as client consultants.

The Zutech Team

Board of Directors



SELECTED FINANCIAL INFORMATION

The Company was registered with the Swedish Companies Registration Office (Sw. Bolagsverket) on 29 November 2017 and had until 13 February 2018 not conducted any operations. On 3 January 2018, the Company was acquired by Zutech Inc. (Ireland) Ltd. On 19 January 2018, the current shareholders of the Company acquired all outstanding shares in the Company from Zutech Inc. (Ireland) Ltd. on a pro rata basis in relation to their holdings in Zutech Inc. (Ireland) Ltd. On 13 February 2018, the current shareholders of the Company transferred all their shares in Zutech Inc. (Ireland) Ltd. to the Company by way of a share issue in kind. As the Group was formed through these transactions, no historic consolidated financial information for the Group exists.

In this section, the Company's financial development for the period 2017-11-29 – 2017-12-31 is presented. No operations were conducted during this period, which is reflected in the Company's financial information. The Company's financial information for the period 2017-11-29 – 2017-12-31 has been audited by the Company's auditor. The audited report for the period 2017-11-29 – 2017-12-31 was produced in accordance with the Swedish Annual Reports Act (1995:1554) (Sw. Årsredovisningslagen (1995:1554)) and RFR 2 – accounting for legal entities (Sw. redovisning för juridiska personer).

Additional financial information

Additional financial information is presented in the form of financial information for the Company's subsidiary Zutech Inc. (Ireland) Ltd. This information is extracted from the company's annual reports for the periods 2017 and 2016 and a financial report for the period 2017-07-01 – 2017-12-31. The annual reports and the financial report are prepared in accordance with Irish and UK GAAP, including FRS 102 which is issued by the Financial Reporting Council. Note that the company was exempted from consolidating subsidiaries. Hence, the financial information does not reflect it's the company's holdings in subsidiaries. The annual reports for the years 2017 and 2016 are audited by the company's previous auditors, HLB Ryan Limited. The report for the period 2017-07-01 – 2017-12-31 is reviewed by Mazars Ireland. Additional financial information for the subsidiaries is presented in the section "Additional Financial Information".

Currency conversion

The reports for Zutech Inc. (Ireland) Ltd. were prepared with EUR as the reporting currency. The financial information presents the accounts in both EUR and SEK. The accounts have been converted to SEK. The exchange rates that were used to convert the balance sheet accounts were the prevailing rates on the last day in each period. The exchange rates that were used to convert the income statements were the average exchange rates during the periods. The exchange rates have been sourced from the Swedish Riksbank (Sw. Sveriges Riksbank). The converted financial information has not been audited.

The exchange rates that were used for the conversion:

SEK per unit	Period		
	2017-07-01 - 2017-12-31	2016-07-01 - 2016-06-30	2015-07-01 - 2015-06-30
EUR	9.67	9.62	9.33
SEK per unit	Balance day		
	2017-12-31	2017-06-30	2016-06-30
EUR	9.85	9.67	9.42

Income statement Zutec Holding AB**2017-11-29 -****2017-12-31***(Audited)*

SEK

Turnover	-
Cost of goods sold	-
Gross profit	-
Sales and administrative expenses	-
Other operating income	-
Operating profit	-
Net financial expense/income	-
Profit before taxes	-
Taxes	-
Profit for the period	-

Balance sheet Zutec Holding AB**2017-12-31***(Audited)*

SEK

Tangible assets	-
Intangible assets	-
Financial assets	-
Current assets	-
Cash and cash equivalents	500 000
Total assets	500 000
Shareholders' equity	500 000
Long term liabilities	-
Current liabilities	-
Total shareholders' equity and liabilities	500 000

Cash flow statement Zutec Holding AB	
	2017-11-29 - 2017-12-31
	(Audited)
	SEK
Cash flow from operations	-
Cash flow from investment activities	-
Cash flow from financing activities	-
Registration of share capital	500 000
Cash flow for the period	500 000
Cash balance at the beginning of the period	-
Cash balance at the end of the period	500 000

Additional financial information for Zutec Inc. (Ireland) Ltd.

Income statement Zutec Inc. (Ireland) Ltd.	2017-07-01 - 2017-12-31 (Reviewed) EUR	2016-07-01 - 2017-06-30 (Audited) EUR	2015-07-01 - 2016-06-30 (Audited) EUR
Turnover	1,232,801	2,444,301	1,561,316
Cost of goods sold	- 153,993	- 363,491	- 474,513
Gross profit	1,078,808	2,080,810	1,086,803
Sales and administrative expenses	- 927,963	- 1,457,245	- 1,421,772
Other operating income	110,318	-	88,020
Costs associated with the Offering and Listing	- 134,986	-	-
Operating income	126,177	623,565	- 246,949
Net financial expenses/income	67,288	21,034	- 13,810
Profit before taxes	193,465	644,599	- 260,759
Taxes	- 11,524	- 11,571	81,763
Profit for the period	181,941	633,028	- 178,996

Income statement Zutec Inc. (Ireland) Ltd.	2017-07-01 - 2017-12-31 (Unaudited) SEK	2016-07-01 - 2017-06-30 (Unaudited) SEK	2015-07-01 - 2016-06-30 (Unaudited) SEK
Turnover	11,925,127	23,501,954	14,574,182
Cost of goods sold	- 1,489,603	- 3,494,966	- 4,429,365
Gross profit	10,435,524	20,006,988	10,144,817
Sales and administrative expenses	- 8,976,372	- 14,011,411	- 13,271,602
Other operating income	1,067,128	-	821,627
Costs associated with the Offering and Listing	- 1,305,746	-	-
Operating income	1,220,534	5,995,577	- 2,305,158
Net financial expenses/income	650,890	202,242	- 128,910
Profit before taxes	1,871,424	6,197,819	- 2,434,068
Taxes	- 111,474	- 111,255	763,221
Profit for the period	1,759,950	6,086,564	- 1,670,847

Balance sheet Zutec Inc. (Ireland) Ltd.	2017-12-31	2017-06-30	2016-06-30
	(Reviewed) EUR	(Audited) EUR	(Audited) EUR
Tangible assets	25,158	25,158	28,900
Intangible assets	-	-	-
Financial assets	1,702	1,702	1,702
Current assets	1,174,258	1,396,602	1,404,763
Cash and cash equivalents	805,325	603,413	196,081
Total assets	2,006,443	2,026,875	1,631,446
Shareholders' equity	1,044,541	1,037,729	460,201
Long term liabilities	525,000	525,000	525,000
Current liabilities	436,902	464,146	646,245
Total shareholders' equity and liabilities	2,006,443	2,026,875	1,631,446

Balance sheet Zutec Inc. (Ireland) Ltd.	2017-12-31	2017-06-30	2016-06-30
	(Unaudited) SEK	(Unaudited) SEK	(Unaudited) SEK
Tangible assets	247,796	243,363	272,134
Intangible assets	-	-	-
Financial assets	16,764	16,464	16,027
Current assets	11,566,087	13,509,890	13,227,810
Cash and cash equivalents	7,932,214	5,837,055	1,846,377
Total assets	19,762,861	19,606,773	15,362,348
Shareholders' equity	10,288,418	10,038,368	4,333,437
Long term liabilities	5,171,093	5,078,535	4,943,610
Current liabilities	4,303,351	4,489,870	6,085,301
Total shareholders' equity and liabilities	19,762,861	19,606,773	15,362,348

COMMENTS TO THE SELECTED FINANCIAL INFORMATION

The financial information in this section should be read in conjunction with the sections "Selected Financial Information", "Capital Structure and Other Financial Information" and the Company's financial information, with accompanying notes that have been incorporated in the Prospectus by reference.

Income statement

The period 2017-11-29 to 2017-12-31

No operations were conducted during the period. Hence, there is no activity to comment with respect to the income statement.

Balance sheet

2017-12-31

On 31 December 2017, the Company's assets amounted to SEK 500,000, which entirely consisted of cash. The shareholders' equity amounted to SEK 500,000.

Cash flow statement

The Company's cash flow for the period amounted to SEK 500,000, which derives from the initial registration of the Company's share capital.

Significant events during the 2017-11-29 – 2017-12-31 period

No significant events affected the Company during the 2017-11-29 – 2017-12-31 period.

Significant events after 2017-12-31

On 3 January 2018, the Company was acquired by Zutech Inc. (Ireland) Ltd. On 19 January 2018, the current shareholders of the Company acquired all outstanding shares in the Company from Zutech Inc. (Ireland) Ltd. on a pro rata basis in relation to their holdings in Zutech Inc. (Ireland) Ltd. On 13 February 2018, the current shareholders of the Company transferred all their shares in Zutech Inc. (Ireland) Ltd. to the Company by way of a share issue in kind. As the Group was formed through these transactions, no historic consolidated financial information for the Group exists. The section "Pro forma accounting" contains illustrative financial statements for the hypothetical situation that would have arisen if the acquisition of Zutech Inc. (Ireland) Ltd. was made on 1 July 2017 and on 31 December 2017.

Other than the transactions described above, no significant events or changes have affected the Company's financial position or position on the market.

Additional Information on Zutech Inc. (Ireland) Ltd.

Income Statement

Comparison between 2017 and 2016

During the 2017 fiscal year the net turnover was SEK 23,501,954. Compared to the prior year, the net turnover increased by 61.2 per cent. The increase was due to increased sales of software licenses to current and new customers.

Cost of goods sold amounted to SEK 3,494,966 during the 2017 fiscal year. Compared to the prior year, this represented a decrease of 21.1 per cent. The lowered costs depended on a relative increase in software sales in proportion to consultancy fees, which follows the Company's strategy of decreasing the need for on-site customer clients.

Administration and marketing costs amounted to SEK 14,011,411 for the 2017 fiscal year, which represented an increase of 5.6 percent from the prior year.

The operating profit amounted to SEK 5,995,577 in 2017. In the year prior, the Company had an operating loss of SEK 1,670,847. The change was mainly due to increased revenue.

Balance sheet

Comparison between 30 June 2017 and 30 June 2016

Total assets increased from SEK 15,362,348 in June 2016 to SEK 19,606,733 in June 2017. Most of the increase was due to an increase in cash and cash equivalents, which in turn was a result of increased sales.

Tangible assets amounted to SEK 272,134 in 2017, which represented a decrease of SEK 28,771 from the previous year. The tangible assets mainly consist of fixtures, furnishings, computers and electronic equipment.

Current assets increased by 2.2 per cent from SEK 13,227,810 in June 2016 to 13,509,890 in June 2017. These mainly consist of receivables from clients.

Short term liabilities amounted to SEK 4,489,870 in June 2017, which represented a decrease of 26.2 per cent from the prior year. The decrease was mainly the result of a reduction in accounts payable.

Shareholders' equity increased from SEK 4,333,437 in 2016 to SEK 10,038,368 in 2017. The increase was mainly the result of an increase in retained earnings, which followed from the profit for the year.

CAPITAL STRUCTURE AND OTHER FINANCIAL INFORMATION

The following information shows Zutech's capitalization and indebtedness as of 31 December 2017. Please refer to the section "Share capital and ownership structure" for further information about the Company's share capital and shares. The information mentioned hereinafter is based on unaudited financial information from the Company. The tables in this section should be read together with the section "Selected Financial Information" and other financial information presented in this Prospectus. No information in this section is audited unless stated otherwise.

The tables show the Group's capital structure and net indebtedness as of 31 December 2017, as if the acquisition of Zutech Inc. (Ireland) Ltd. had happened on 31 December 2017.

Capital structure

Zutech is financed with equity and debt. In addition to the table "Shareholders' equity and liabilities", the net debt of the Company has decreased by EUR 525,000 following the conversion of debt owed to Enterprise Ireland by Zutech Inc. (Ireland) having been converted to shares in Zutech. The conversion has decreased the Group's debt by about SEK 5,171,250, and created a corresponding increase in the equity of the Company. As such, the Company's equity and financial position has improved since 31 December 2017.

A directed share issue, which is described in greater detail in the section "Significant events after 2017-12-31" in "Comments to the selected financial information", was made in conjunction with the acquisition of Zutech Inc. (Ireland) Ltd. The share issue resulted in an increase of the shareholders' equity from SEK 500,000 to SEK 1,000,000.

These events are not reflected in the tables for capital structure or net indebtedness.

Net indebtedness

The table presents Zutech's net financial indebtedness as of 31 December 2017, in the hypothetical situation that the Group was established through the acquisition of Zutech Inc. (Ireland) Ltd. on 31 December 2017. The net indebtedness been affected in the same way as the capitalization that is described under the heading "Capital structure", by the conversion of debts of EUR 525,000 to common shares.

Zutech has a negative net indebtedness, as the Company has more cash than debt.

Shareholders' equity and liabilities

2017-12-31 **SEK**

Total current liabilities

Guaranteed	
Secured	
Unguaranteed/unsecured	5,681,589

Total non-current liabilities

Guaranteed	
Secured	
Unguaranteed/unsecured	5,171,093

Total shareholders' equity

Share capital	500,000
Legal reserve	
Other reserves	8,541,076

Net indebtedness

2017-12-31 **SEK**

(A)	Cash	9,744,910
(B)	Cash equivalents	
(C)	Trading securities	
(D)	Liquidity (A)+(B)+(C)	9,744,910
(E)	Current financial receivables	10,466,700
(F)	Current bank debt	
(G)	Current portion of non-current de	5,681,589
(H)	Other current debt (non-interest l	
(I)	Current financial debt (F)+(G)+(H)	5,681,589
(J)	Net current financial indebtedness (I)-(E)-(D)	-14,530,021
(K)	Non-current bank loans	
(L)	Bonds issued	
(M)	Other non-current financial debt	
(N)	Non-current financial indebtedness (K)+(L)+(M)	
(O)	Net financial indebtedness (J)+(N)	-14,530,021

Working capital statement

Zutec has generated cash flows and profits. It is the opinion of the Board that the current working capital is sufficient for the Company's needs for the coming 12 months from the date of this Prospectus. This means that the Company can pay its debts, maintain and develop its business to the extent that the Board has planned.

Use of proceeds

The proceeds from the Offering will be used to expand the Company's operations. The expansion may be more rapid and in greater magnitude than what would otherwise have been possible with only internally generated capital.

The proceeds from the Offering are estimated to amount to at most SEK 42.1 million, after costs associated with the Offering. If the Oversubscription Issue is fully subscribed and employed, additional proceeds of about SEK 7 million are expected.

Zutec plans – with reservations for some variance – to use the proceeds from the Offering as follows:

Use of proceeds

In percent of use of proceeds

Sales and marketing	70%
Product development and investments related to the product	30%

About 20 per cent of the investments in sales and marketing will be used in markets where the Company is already present and operational. The remaining 80 per cent will be used in new markets, mainly in North America and Scandinavia.

Sales and marketing comprises personnel costs for an increased sales staff and costs for establishing new offices in new markets.

Product development comprises costs for new staff, servers, computers and IT infrastructure.

Ongoing and planned investments

The Company has no ongoing or planned future investments for which commitments have been made.

Trends and tendencies

Other than what is described in this Prospectus, there are no documented tendencies relating to production, inventory, costs or sales pricing for the current fiscal year.

The Company knows of no tendencies, uncertainties, potential liabilities, claims, obligations or events that could be reasonably expected to have a significant impact on the Company's business prospects.

Other than what is described above and in the section "Risk factors", the Company has at the date of this Prospectus no knowledge of any public, economic, legislative, taxational, political, monetary or other events that have had or could have a material impact on the Company's operations or financial position.

Environmental factors

The Company does not know of any environmental factors that could affect the Company's use of its tangible assets.

PRO FORMA FINANCIAL STATEMENTS

The Company was registered with the Swedish Companies Registration Office (Sw. Bolagsverket) on 29 November 2017. On 3 January 2018, the Company was acquired by Zutech Inc. (Ireland) Ltd. On 19 January 2018, the current shareholders of the Company acquired all outstanding shares in the Company from Zutech Inc. (Ireland) Ltd. on a pro rata basis in relation to their holdings in Zutech Inc. (Ireland) Ltd. On 13 February 2018, the current shareholders of the Company transferred all their shares in Zutech Inc. (Ireland) Ltd. to the Company by way of a share issue in kind. Through these transactions the Group was formed. Prior to these transactions, no operations had been conducted by the Company. This section contains illustrative financial information for the hypothetical situation that would have arisen if the acquisition of Zutech Inc. (Ireland) Ltd. had happened before 13 February 2018. The acquisition of Zutech Inc. (Ireland) Ltd. included its subsidiaries; Zutech (Australia) Pty Ltd., Zutech Inc. (UK) Ltd., Zutech (Asia) Ltd. and Zutech Gulf LLC. Zutech Gulf LLC is currently under voluntary liquidation which is expected to be completed during February 2018. As Zutech Inc. (Ireland) Ltd. has not previously produced consolidated financial statements, all subsidiaries are presented separately in the pro forma financial statements. No information in this section has been audited, unless otherwise stated. The pro forma financial statements have been reviewed by the Company's auditor in accordance with RevR 5.

The purpose of the pro forma financial statement

The purpose of the consolidated pro forma financial statements is to show the hypothetical effect that the acquisition of Zutech Inc. (Ireland) Ltd. would have had on:

- ◇ the Company's consolidated income statement for the six-month period ending on 31 December 2017, if the acquisition of Zutech Inc. (Ireland) Ltd. was made on 1 July 2017.
- ◇ the Company's consolidated balance sheet on 31 December 2017, if the acquisition of Zutech Inc. (Ireland) Ltd. was made on 31 December 2017.

The pro forma financial information is meant to inform and highlight facts. By its nature, the pro forma financial information addresses a hypothetical situation and does therefore not represent the Company's actual or expected financial position or results, or the results that would have materialized if the acquisition of Zutech Inc. (Ireland) Ltd. was made on the above-mentioned dates. Hence, investors should be cautious in their interpretation of the pro forma financial information and not place too much emphasis on it.

The basis for the pro forma

Accounting principles

The unaudited pro forma consolidated financial reports have been compiled based on the accounting principles that the Company will apply for the 2018 fiscal year. The Group applies IFRS. The parent Company applies Swedish Annual Reports Act (1995:1554) and RFR 2 – accounting for legal entities.

The accounting principles that the Company applies are different from those used by Zutech Inc. (Ireland) Ltd. and its subsidiaries. The Company has performed an analysis and has concluded that there are no material differences between the accounting principles used by the Company and its subsidiaries. The assessment is that the accounting principles largely conform and that the differences do not give rise to any material errors in the pro forma financial information.

Conditions and assumptions

The consolidated pro forma income statement has been compiled as if the transactions described in note 3 had happened on 1 July 2017.

The consolidated pro forma balance sheet has been compiled as if the transactions described in note 3 had happened on 31 December 2017.

It is the opinion of the Board that the pro forma consolidated financial statements comprise all necessary adjustments to provide a fair depiction of the transactions described in note 3 and four according to IFRS, which is applied according to the Company's accounting principles. In addition, the pro forma accounts are free from material errors and omissions. The pro forma financial statements are not intended to reflect the Company's results of financial position that would have materialized if the transactions had taken place on the above-mentioned dates. Furthermore, the pro forma financial statements are not necessarily indicative for the Company's future results or financial position.

Basis and source of the financial information

The financial information for Zutech Holding AB has been sourced from the audited report for the period 2017-11-29 – 2017-12-31.

The financial information for Zutech Inc. (Ireland) Ltd. has been sourced from a report for the period 2017-07-01 – 2017-12-31. The report was produced according to generally accepted accounting principles in Ireland, which includes FRS 102, which is issued by the Financial Reporting Council. The report has been reviewed by Mazars Ireland. For additional information, see "Legal considerations and supplementary information".

The financial information for Zutech (Australia) Pty Ltd. has been sourced from the company's internal accounting system, and has been compiled according to the internationally accepted accounting concepts of accruals, prudence, consistency and going concern. The information has not been audited.

The financial information for Zutech (Asia) Ltd. is sourced from the company's internal accounting systems and the company's financial report for the fiscal year ending 2017-12-31. The report was prepared in accordance with the requirements set forth by the Hong Kong Companies Ordinance and local accounting standards for private businesses in Hong Kong (HKFRS for Private Entities), which are issued by the Hong Kong Institute of Certified Public Accountants. The financial report is audited by the company's auditor. The audit report is incorporated into the Prospectus through reference, for additional information, see the section "Legal considerations and supplementary information".

The financial information for Zutech Inc. (UK) Ltd. has been sourced from the company's internal accounting system. The company applies generally accepted accounting principles in the UK, which includes FRS 102, issued by the Financial Reporting Council. The information has not been audited.

The pro forma adjustments

The pro forma financial statements comprise adjustments related to the following:

- ◇ To show the acquisition of Zutech Inc. (Ireland) Ltd. in accordance with the description in note 3 and show the resulting adjustments for the consolidation of the financial statements.
- ◇ Show the adjustments to amortization on the book values of the assets and liabilities of the Company's subsidiaries that follow from the adjustments for the acquisition of Zutech Inc. (Ireland) Ltd.

The pro forma adjustments are described in the notes to this section. There have been no adjustments relating to synergies. Unless otherwise stated, the adjustments should be regarded as recurring.

Pro forma income statement Zutech Holding AB 2017-07-01 - 2017-12-31	Zutech Holding AB	Zutech Inc. (Ireland) Ltd.	Zutech Inc. (UK) Ltd.	Zutech (Asia) Ltd.	Zutech (Australia) Pty Ltd.	Pro forma adjustments	Note	Zutech Holding AB consolidated group
	(Audited)	(Reviewed)	(Unaudited)	(Unaudited)	(Unaudited)			(Pro forma)
Turnover	-	11 925 127	843 213	968	2 037 652	-		14 806 960
Other operating income	-	1 067 031	-	-	1 396	-		1 068 428
Total income	-	12 992 158	843 213	968	2 039 049	-		15 875 388
Cost of goods sold	-	- 1 489 604	- 415 519	-	-	-		- 1 905 123
Sales and administrative expenses	-	- 8 976 372	- 462 320	- 10 784	- 1 418 884	-		- 10 868 360
Costs associated with the Offering and	-	- 1 305 882	-	-	-	-	6)	- 1 305 882
Other operating costs	-	-	-	-	-	-		-
Depreciation	-	-	-	-	-	- 2 279 731	3)	- 2 279 731
Operating income	-	1 220 301	- 34 626	- 9 816	620 165	- 2 279 731	5)	- 483 708
Net financial expenses/income	-	650 890	-	-	-	-		650 890
Profit before taxes	-	1 871 191	- 34 626	- 9 816	620 165	- 2 279 731	5)	167 182
Taxes	-	- 111 474	-	-	-	284 966	3)	173 492
Profit for the period	-	1 759 717	- 34 626	- 9 816	620 165	- 1 994 765	5)	340 675
Share of profits attributable to Shareholders of the parent company	-	1 759 853	- 34 626	- 9 816	347 293	- 1 992 974	5)	69 729
Non-controlling interest	-	-	-	-	272 872	-		272 872

Pro forma balance sheet, Zutec Holding AB 2017-12-31

	Zutec Holding AB	Zutec Inc. (Ireland) Ltd.	Zutec Inc. (UK) Ltd.	Zutec (Asia) Ltd.	Zutec (Australia) Pty Ltd.	Pro forma adjustments	Not e	Zutec Holding AB consolidated group
	(Audited)	(Reviewed)	(Unaudited)	(Audited)	(Unaudited)			(Pro forma)
Fixed assets								
Tangible assets	-	229 300	-	-	-	-		229 300
Financial assets	-	16 759	-	-	-	-		16 759
Goodwill	-	-	-	-	-	91 989 505	3)	91 989 505
Software	-	-	-	-	-	22 300 485	3)	22 300 485
Total fixed assets	-	246 059	-	-	-	114 289 990	5)	114 536 049
Current assets								
Receivables	-	4 870 932	-	-	874 191	-		5 745 124
Other receivables	-	6 827 843	684 559	9 750	16 067	- 2 972 657	7)	4 565 562
Cash and cash equivalents	500 000	8 000 161	114 047	260 810	869 892	-		9 744 910
Total current assets	500 000	19 698 937	798 605	270 560	1 760 151	- 2 972 657	5)	20 055 595
Total assets	500 000	19 944 996	798 605	270 560	1 760 151	111 317 333	5)	134 591 644
Shareholders' equity								
Share capital	500 000	1 250 912	1 252	11	645	- 1 252 820	3)	500 000
Share issue in kind	-	-	-	-	-	- 120 000 000	3)	120 000 000
Retained earnings including profits for the period	-	9 015 937	- 353 607	- 96 806	- 1 320 774	- 7 244 750	3)	0
Non-controlling interest	-	-	-	-	-	-		-
Total shareholders' equity	500 000	10 266 850	- 352 355	- 96 795	- 1 320 129	111 502 430	5)	120 500 001
Long term liabilities								
Interest bearing loans	-	5 169 513	-	-	-	-		5 169 513
Deferred taxes	-	-	-	-	-	2 787 560	3)	2 787 560
Total long term liabilities	-	5 169 513	-	-	-	2 787 560	5)	7 957 073
Current liabilities								
Trade payables	-	1 057 089	159 494	-	711 620	-		1 928 203
Other short term debt	-	3 451 544	991 467	367 355	2 368 660	- 2 972 657	7)	4 206 368
Total current liabilities	-	4 508 633	1 150 960	367 355	3 080 280	- 2 972 657	5)	6 134 570
Total liabilities	-	9 678 146	1 150 960	367 355	3 080 280	- 185 097	5)	14 091 644
Total shareholders' equity and liabilities	500 000	19 944 996	798 605	270 560	1 760 151	111 317 333	5)	134 591 644

Notes to the pro forma financial statements

1. Currency conversion

The pro forma financial statements are presented in SEK. The financial information of the subsidiaries were originally prepared in each company's local currency. The information has been converted to SEK. The conversion for the balance sheets was performed with the closing exchange rate for each respective company's reporting currency vis-à-vis SEK on 31 December 2017. The exchange rates that were used to convert the information in the income statements were the average exchange rates over the 2017-07-01 – 2017-12-31. All exchange rates were sourced from the Swedish Riksbank (Sw. Sveriges Riksbank). The exchange rates that were used are the following:

SEK per unit	2017-07-01 - 2017-12-31	2017-12-31
EUR	9.67	9.85
HKD	1.05	1.05
GBP	10.84	11.10
AUD	6.41	6.42

2. The group Zutech Inc. (Ireland) Ltd. that was acquired by the Company according to the description in note 3 is composed of:

Company	Share of capital	Share of votes
Zutech Inc. (Ireland) Ltd.		
Zutech (Australia) Pty Ltd.	56%	56%
Zutech Inc. (UK) Ltd.	100%	100%
Zutech (Asia) Ltd.	100%	100%

3. Acquisition

On 13 February 2018, the Company acquired all outstanding shares of Zutech Inc. (Ireland) Ltd. from the Company's current shareholders. The total consideration was SEK 120 million, corresponding to an estimated market value of Zutech Inc. (Ireland) Ltd, and was paid by way of a share issue in kind of 500,000 shares which were subscribed for by the Company's current shareholders at a price of SEK 240 per share.

The pro forma income statement and balance sheet in this section assume that the transaction described in note 3 was made on different dates. As the date of the transaction has implications for the Company's pro forma financial statements, the tables in this note are presented for two hypothetical scenarios. The columns in the tables are marked with the date that corresponds to the assumed date of the transactions.

The acquired equity that arises through the acquisition of Zutech Inc. (Ireland) Ltd. amount to the following:

Acquired equity (SEK)	2017-07-01	2017-12-31
Share capital	1,249,268	1,252,820
Retained earnings including profit for the period	4,764,154	7,244,750
Total acquired equity	6,013,422	8,497,570

The difference between acquired equity and the purchase consideration of SEK 120 million results in transaction expenses of SEK 113,986,578 provided that the acquisition was made on 1 July 2017, and SEK 111,502,430 provided that the acquisition was made on 31 December 2017.

The transaction costs have been preliminarily allocated to the fair value of the net assets in Zutech Inc. (Ireland) Ltd. as follows:

Allocation of transaction expenses (SEK)	2017-07-01	2017-12-31
Software	22,797,315	22,300,485
Goodwill	94,038,926	91,989,505
Deferred taxes	- 2,849,664	- 2,787,560
Total acquisition costs	113,986,578	111,502,430

20 percent of the excess value has been allocated to software. The Board assesses that the software has a useful life span of five years. The remaining part is allocated to Goodwill and is estimated to have an indefinite life span. This amount and its life span will be evaluated in each period.

Yearly depreciation/dissolution (SEK)	2017-07-01	2017-12-31
Software	- 4,559,463	- 4,460,097
Deferred taxes	569,932	557,512

Deferred taxes are reported on the software after an analysis of the Company's actual tax situation for the underlying assets. Deferred taxes are dissolved at the same rate as the depreciation of software.

The pro forma adjustment of SEK 284,966 regarding taxes in the pro forma income statement represents half of the annual depreciation/dissolution of deferred taxes in the table above.

The pro forma adjustment of SEK -2,279,731 in the pro forma income statement represents half of the yearly depreciation of the software in the table above.

4. Historical acquisitions

The subsidiaries Zutech (Australia) Pty Ltd., Zutech Inc. (UK) Ltd. and Zutech (Asia) Ltd. were acquired at their respective book values

Company	Book value (EUR)
Zutech (Australia) Pty Ltd.	36
Zutech Inc. (UK) Ltd.	113
Zutech (Asia) Ltd.	11

5. The adjustment is a sum that follows from other pro forma adjustments

6. Non-recurring items

Costs relating to the Offering and Listing are included in the income statement. The costs amounted to EUR 134,986 which have been converted to SEK. The costs were incurred in Zutech Inc. (Ireland) Ltd. and are related to fees for financial and legal advisers in Sweden and Ireland

7. Claims and liabilities within the Group

The debts of the Group include internal claims and liabilities to other companies within the Group, these are eliminated in the pro forma balance sheet.

AUDITOR'S REPORT ON THE PRO FORMA FINANCIAL STATEMENTS



The Auditor's Report on Pro Forma Financial Information

To the Board of Directors in Zutech Holding AB (publ.), corporate identity number 559136-0317.

The Auditor's Report on Pro Forma Financial Information

We have audited the pro forma financial information set out on pages 53-56 in Zutech Holding AB's prospectus dated 16 February 2018.

The pro forma financial information has been prepared for illustrative purposes only to provide information about how the acquisition of Zutech Inc Ltd might have affected the consolidated balance sheet for Zutech Holding AB as of 31 December 2017 and the consolidated income statement for Zutech Holding AB for the six-month period ended 31 December 2017.

The Board of Directors' responsibility

It is the Board of Directors' responsibility to prepare the pro forma financial information in accordance with the requirements of the Prospectus Regulation (EC) No 809/2004.

The auditor's responsibility

It is our responsibility to provide an opinion required by Annex II item 7 of Prospectus Regulation 809/2004/EC. We are not responsible for expressing any other opinion on the pro forma financial information or of any of its constituent elements. In particular, we do not accept any responsibility for any financial information used in the compilation of the pro forma financial information beyond that responsibility we have for auditor's reports regarding historical financial information issued in the past.

Work performed

We performed our work in accordance with FAR's Recommendation RevR 5 *Examination of Prospectuses*. This recommendation requires that I

(we) comply with FAR's ethical requirements and have planned and performed the audit to obtain reasonable assurance that the financial statements are free from material misstatements. The firm applies ISQC 1 (International Standard on Quality Control) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We are independent of the Zutech Holding AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

Our work, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the historical information, assessing the evidence supporting the pro forma adjustments and discussing the pro forma financial information with the management of the company.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to obtain reasonable assurance that the pro forma financial information has been compiled on the basis stated on page 53, and in accordance with the accounting principles applied by the company.

Opinion

In our opinion the pro forma financial information has been properly compiled on the basis stated on page 53 and in accordance with the accounting principles applied by the company.

Stockholm 16 February 2018

Mazars SET Revisionsbyrå AB

Bo Holmström

Authorized public accountant



BOARD OF DIRECTORS, SENIOR EXECUTIVES AND AUDITOR

Board of Directors

The Board consists of five ordinary members, including the Chairman, without deputies, elected up until the close of the 2018 annual general meeting. Below is a description of the Board members, their position, the year in which they first were elected to the Board, and whether they are regarded independent vis-à-vis the Company and/or the Company's shareholders.

Name	Position	Board member since	Independent in relation to	
			the Company and Company management	the Company's shareholders
Brian McGuire	Chairman of the Board	2018	No	No
Brendan O'Riordan	Member of the Board and Managing Director	2018	No	Yes
Conor O'Brien	Member of the Board and CFO	2018	No	Yes
Hans Schedin	Member of the Board	2018	Yes	Yes
Gerard Jones	Member of the Board	2018	Yes	Yes

Brendan O'Riordan, Board member and Managing Director



Born 1979. Member of the Board since 2018.

Education/Experience: Bachelor of Technology in Building Services Engineering. Brendan has been working in various management positions (e.g. Business and operations manager in Ireland and the U.K.). Brendan has been Head of building Development and facilities management in Cocoon Childcare and Project manager in Lynskey Engineering.

Other current appointments: Board member and Managing Director of Zutech Inc. (Ireland) Ltd.

Previous appointments (last five years): COO of Zutech Inc. (Ireland) Ltd.

Shareholdings in the Company: Brendan holds, through company or personally, 286,950 shares in the Company.

Brian McGuire, Chairman



Born 1954. Member of the Board since 2018.

Education/Experience: Higher National Diploma (HND) (Environmental Engineering) Dublin Institute of Technology. Brian has been Project Director on major infrastructure projects in U.K., Suntech city in Singapore and Petronas Towers in Kuala Lumpur Malaysia and Major Financial Centre MEP Project for Swedish contractor NCC.

Other current appointments: Chairman of the Board of Zutech Inc. (Ireland) Ltd. Board member of Zutech Gulf LLC (under voluntary liquidation, which is expected to be finalized in February 2018).

Previous appointments (last five years): Board member of Zutech Group International Ltd. (dissolved) and Managing Director of Zutech Inc. (Ireland) Ltd.

Shareholdings in the Company: Brian holds, through company or personally, 2,405,630 shares in the Company.

Conor O'Brien, Board Member and CFO



Born 1954. Member of the Board since 2018.

Education/Experience: Degree in Commerce National university of Ireland (Galway), Higher Diploma (Education) Trinity College Dublin, Diploma in German Language (University College Dublin), Training courses in taxation (levels 1, 2 and 3) Institute of taxation in Ireland and Internal Mazars Ireland training courses in management. Currently the CFO in the Company and previously Director of Accounting support Services in Mazars Ireland, and national Director of Education Office in Christian brothers Ireland.

Other current appointments: Board member and CFO of Zutech Inc. (Ireland) Ltd.

Previous appointments (last five years): Board member of Zutech Group International Ltd. (dissolved) and Board member of three high profile schools.

Shareholdings in the Company: Conor holds, through company or personally, 334,780 shares in the Company.

Hans Schedin, Board member



Born 1945. Member of the Board since 2018.

Education/Experience: LL.M, University of Stockholm. Hans is senior counsel at MAQS Advokatbyrå Stockholm AB. Hans has extensive experience in financial legislation, regulation and financial supervision and crisis management.

Other current appointments: Chairman in Stabelo Asset Management AB and board member in iZave AB and Smart Energy Sweden Group AB (publ).

Previous appointments (last five years): Board member in AktieTorget Holding AB (merger) and ATS Finans Holding AB.

Shareholdings in the Company: None.

Gerard Jones, Board member



Born 1958. Member of the Board since 2018.

Education/Experience: MBA (UCD), Diploma in Applied Finance, Irish Management Institute and B. Comm. (UCD). Gerard has more than 35 years of experience of management within high-technological companies and is a member of The Institute of Directors Ireland.

Other current appointments: Managing Partner of Executive Ventures Partners, Inc.

Previous appointments (last five years): Chairman of the Board of Openmind Networks Ltd. Managing Director of the EVP Early Stage Technology Fund and acting CFO of GodleyWood Ltd. Gerard was also the founder and Managing Director of International Test Technologies Inc.

Shareholdings in the Company: None.

Senior executives

Brendan O’Riordan, Managing Director

Born 1979. Board member and Managing Director since 2018.

See above section “Board of Directors”.

Conor O’Brien, CFO

Born 1954. Board member and CFO since 2018.

See above section “Board of Directors”.

Michael White, CTO



Born 1980. CTO since 2018.

Education/Experience: Cofounder of the Company and extensive experience in software development.

Other current appointments: Present CTO in Zutech Inc. (Ireland) Ltd. and non executive director in Mayeston Hall Management Company (Residents Committee).

Previous appointments (last five years): None.

Shareholdings in the Company: Michael holds, through company or personally, 478,256 shares in the Company.

Other information relating to the Board of Directors and senior executives

No Board member or members of executive management have any family ties to other Board members or members of executive management.

Gerard Jones is acting as the Company’s Irish financial advisor in connection with the Offering and the Listing. In this capacity, Gerard Jones receives ongoing remuneration for the services he provides. Gerard Jones has not, and will not, attend Board matters in which there is a risk of conflicts of interest between his duties towards the Company and his role as a financial advisor to the Company, or any other duties and/or interests.

Hans Schedin is senior counsel at MAQS, which acts at the Company’s legal advisor in connection with the Offering and the Listing. MAQS receives ongoing remuneration for

the services it provides. Hans Schedin has not, and will not, attend Board matters in which there is a risk of conflicts of interest between his duties towards the Company and his role as a senior counsel at MAQS, or any other duties and/or interests.

Apart from what is stated above there are no conflicts of interest or potential conflicts of interest between the undertakings of the Board members and senior executives in relation to the Company and their private interests and/or other undertakings, save for certain financial interests in the Company due to their direct or indirect shareholdings in the Company.

Apart from what is stated above, none of the Board members or senior executives over the past five year has: (i) been a representative of any company, apart from the positions specified for the various Board members and senior executives; (ii) been convicted in any fraud-related court cases; (iii) represented a company that has been declared bankrupt, been involved in liquidation or that has entered into compulsory liquidation; (iv) been accused by a government authority or organisation that represents a certain professional group and governed by public sector law; or (v) by court been disqualified from acting as a Board member or senior executive or otherwise been banned from practising business operations.

The Board and senior executives of the Company can be contacted on telephone number +353 1 201 35 65 or at the address of the Company provided at the end of this Prospectus.

Auditor

Since 2018, the Company’s auditor is MAZARS SET Revisionsbyrå AB, Corporate registration number 556439-2099, which has been appointed until the close of the 2018 annual general meeting. Bo Holmström (born 1966) is auditor in charge. Bo Holmström is an Authorized Public Accountant and a member of FAR (the professional institute for accountants in Sweden). MAZARS SET Revisionsbyrå AB’s office address is Mäster Samuelsgatan 56, Box 1317, 111 83 Stockholm, Sweden.

– SHARES, SHARE CAPITAL AND OWNERSHIP –

General information

Pursuant to the Company's articles of association, which were adopted by the extraordinary general meeting on 8 February 2018, the share capital shall comprise a minimum of SEK 1,000,000 and a maximum of SEK 4,000,000 divided into a minimum of 5,000,000 and a maximum of 20,000,000 shares. As of the date of this Prospectus, the Company's share capital is SEK 1,000,000 and the number of shares is 5,000,000. Each share has a quotient value of SEK 0.2. The shares are denominated in SEK. All of the shares of the Company are of the same share class and issued pursuant to Swedish law. The shares are fully paid and freely transferable.

Certain rights associated with the shares

The shares in Zutech have been issued pursuant to the Swedish Companies Act (2005:551), and the rights associated with shares issued by the Company, including those pursuant to the Company's articles of association, may only be amended in accordance with the procedures set forth in this Act.

Each Share carries one (1) vote at the Company's general meeting. Each shareholder entitled to vote may vote at the general meeting for all shares held and represented by him or her. Each share carries equal rights to the Company's assets and profits. In the event of liquidation of the Company, shareholders are entitled to a share of the surplus in proportion to the number of shares held by the shareholder. Apart from the Lock-up agreements described below under the section "Lock-up agreements", no restrictions exist on the transfer of shares.

Shareholders usually have pre-emptive rights to subscribe for new shares, warrants and convertible bonds pursuant to the Companies Act, unless the general meeting or the Board of Directors, pursuant to authorization by the general meeting, decide upon a derogation of the shareholders' pre-emptive rights. The Company's articles of association do not contain any specific provisions regarding redemption or conversion.

Dividend and dividend policy

The Company does not have a specific dividend policy in place and, as of the date of this Prospectus, the Company has not paid any dividends to the Company's shareholders.

Payment of dividends shall be determined by the general meeting of shareholders. Any future dividends depend on several factors, such as future results, financial position and the Company's need for investments.

Zutech is currently in an expansion phase, thus identified expansion activities are prioritized. As a result, shareholders should not expect to receive any, or very low, dividends in the next following years. Under such circumstances, possible returns for the shareholders during the next few years will mainly depend on the share price development.

Dividends are payable to shareholders registered in the share register maintained by Euroclear Sweden as of the record date adopted by the shareholders' general meeting. Dividends are normally distributed to shareholders through Euroclear Sweden as a cash payment, but may be paid out in another manner. If a shareholder cannot be reached, they will retain a claim to the dividend amount for ten years. Upon expiry of the ten-year period, the dividend shall pass to the Company.

There are no restrictions on the right to dividends for shareholders domiciled outside of Sweden, except for possible limits imposed by the banking and clearing systems. Payments of dividends to such shareholders are made in the same manner as for shareholders with a domicile in Sweden. Normally, withholding tax is deducted from dividend payments to shareholders who are not residents for tax purposes in Sweden. However, the Company will not oblige itself to pay such taxes.

Central securities depository

Zutech is affiliated with Euroclear Sweden's account-based securities system in accordance with the Swedish Financial Instruments Accounting Act (sw. lag (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument). Thus, no physical share certificates will be issued as shares are cleared through the electronic securities system operated by Euroclear Sweden. The person entered in the share register kept by Euroclear Sweden shall be entitled to all share related rights. The ISIN code of the share is SE0010869487.

Share capital development

The table below summarises the share capital development in the Company's share capital since 29 November 2017 up to the date of the Prospectus.

Date	Event	Change in shares	Total number of shares	Change in share capital (SEK)	Share capital (SEK)	Quotient value (SEK)
2017-11-29	Opening	-	500 000	-	500 000	1
2018-02-14	Directed share issue	500 000	1 000 000	500 000	1 000 000	1
2018-02-14	Share split	4 000 000	5 000 000	-	1 000 000	0.2

Ownership structure

As of the date of this Prospectus, the Company has nine shareholders. The Company has only one class of shares and each share in the Company entitles the shareholder to one (1) vote at the general meeting. Each shareholder is entitled to vote for all shares held by the shareholder in the Company. The below table describes the owner structure of Zutech immediately prior to the Offering. Also, the table below shows shareholders whose holdings in the Company exceeded 5 per cent of capital or votes. As far as the Company is aware there is no, at the date of this Prospectus, direct or indirect ownership or control of the Company or any shareholders, other than what is described in the table below, which has an interest exceeding 5 per cent in the Company's capital or voting rights.

The major shareholders do not own shares of a class different from the shares available for subscription in the Offering. Brian McGuire is the majority shareholder of the Company and holds a controlling interest. No measures have been taken by the Company to ensure that this interest is not abused. The concentration of ownership of the Company could have negative implications for shareholders with different interests from the majority shareholder.

	Prior to the Offering		After the Offering		After the Offering and the Oversubscription Issue	
Shareholder	Shareholdings		Shareholding if the Offering is fully subscribed		Shareholding if the Offering and the Oversubscription Issue are fully subscribed	
	Shares	Per cent	Shares	Per cent	Shares	Per cent
Brian McGuire	2 405 630	48.11 %	2 405 630	33.96 %	2 405 630	32.53 %
Thomas Boland	621 730	12.43 %	621 730	8.78 %	621 730	8.41 %
Michael White	478 260	9.57 %	478 260	6.75 %	478 260	6.47 %
Conor O'Brien	334 780	6.70 %	334 780	4.73 %	334 780	4.53 %
Noel Matthews	320 430	6.41 %	320 430	4.52 %	320 430	4.33 %
Brendan O'Riordan	286 950	5.74 %	286 950	4.05 %	286 950	3.88 %
Sinead Branagh	239 130	4.78 %	239 130	3.38 %	239 130	3.23 %
Enterprise Ireland	217 438	4.35 %	217 438	3.07 %	217 438	2.94 %
Stephen Tarpey	95 650	1.91 %	95 650	1.35 %	95 650	1.29 %
New shareholders in connection with the Offering	-	-	2 083 334	29.41 %	2 083 334	28.17 %
New shareholders in connection with the Oversubscription Issue	-	-	-	-	312 500	4.23 %
Total	5 000 000	100.00 %	7 083 334	100.00 %	7 395 834	100.00 %

Shareholder agreements

As far as the Board of Directors of the Company is aware, there exist no shareholder agreements or similar arrangements which could lead to a change in the control of the Company.

Share-based incentive programs

As of the date of this Prospectus, the Company does not have any share-based incentive programs.

Share related securities

As of the date of this Prospectus, the Company has not issued any share related securities.

Lock-up agreements

All current shareholders of the Company have entered into an agreement with Remium and undertaken not to directly or indirectly sell shares in the Company within a period of twelve (12) months from the first day of trading on First North without obtaining, in each case, written approval from Remium. Exceptions to lock-up may be permitted under the terms of (and as an acceptance of) a public takeover offer, as defined in the Swedish Corporate Governance Board's "Takeover rules for certain trading platforms" of 1 November 2017. In all, 5,000,000 shares are covered by the lock-up, corresponding to approximately 67.7 per cent of all shares after the Offering, assuming full subscription of the Offering and the Oversubscription Issue.

Authorisations to the Board of Directors

At the extraordinary general meeting held on 8 February 2018, the shareholders of Zutech resolved to authorize the Board of Directors to increase the Company's share capital by issuing new ordinary shares and to issue warrants and convertible bonds, to the extent possible under the Company's articles of association, as applicable. The authorisation is valid until the next annual general meeting and was registered with the Swedish Companies Registration Office on 15 February 2018. The share price of such share issue, warrants or convertible bonds in derogation of the shareholders' pre-emption rights shall be at a fair market price which, in some instances, may be lowered through a marketable issuance discount. The purpose of the authorisation is to diversify the ownership of the Company to comply with First North Rulebook, to increase the Company's financial flexibility as well as the Board's acting space according to the motives stated in the section "Background and Rationale for the Offering".

Trading in shares

The Board has applied for Listing of the Company's shares on First North. The shares will be traded under the ticker ZUTEC and the ISIN code is SE0010869487. The preliminary first day of trading is on 15 March 2018.

The shares of Zutech are freely transferable. Other than the lock-up arrangement described under section "Lock-up agreements", the shares are not subject to any transfer restrictions. Furthermore, the shares are not subject to any mandatory takeover bid, squeeze-out or sell-out process. No public takeover bid relating to the Company's shares has occurred since the Company was established.

Withholding tax

Payments of dividends to shareholders are made in the same manner as for shareholders with a domicile in Sweden. Normally, withholding tax is deducted from dividend payments to shareholders who are not tax residents of Sweden. However, the Company will not oblige itself to pay such taxes on behalf of its shareholders.

Certified Adviser

All companies whose shares are traded on First North are required to enlist a Certified Adviser who guides and assists the company through the listing process. Subsequent to the Listing of the Company, the Certified Adviser will supervise the Company to ensure that it is compliant with the First North regulations for providing information to the market and investors. The Company has appointed Remium as Certified Adviser. The agreement with Remium is ongoing with a six month mutual notice period. Remium holds no shares in the Company as of the date of approval of this Prospectus.

Generally on corporate governance

Prior to the Listing, the Company's corporate governance was based on Swedish legislation, primarily the Swedish Companies Act. Once the Listing is completed, the Company will comply with First North's regulatory framework for issuers (First North Rulebook). Since the Company is applying for admission for trading on First North, which is a multilateral trading facility (MTF), there is no requirement for the Company to comply with the Swedish Code of Corporate Governance (the "Code"). For this reason, the Company has chosen not to apply the Code (at least initially).

General meeting

The annual general meeting, or, where applicable, the extraordinary general meeting, is the Company's highest decision-making body. It is at the annual general meeting or the extraordinary general meeting that the shareholders exercise their right to resolve on Company affairs. The general meeting appoints board members, appoints an auditor, adopts Company and Group income statements and balance sheets, resolves on the discharge of Board members, on allocation of Company earnings, and on a number of other matters.

Notices to attend general meetings is carried out via announcement in the Swedish Official Gazette and by publishing on the Company's website. At the time of the notice, the Company shall announce that the notice has been issued by publication in the Swedish newspaper Dagens Industri.

Board of Directors

The Board is the highest decision-making body after the general meeting. Pursuant to the Swedish Companies Act, the Board is responsible for the Company's organisation and for the management of the Company's affairs. The Board's work is chaired by the Chairman of the Board and the Board is quorate when more than half of the Board members are present. It is also the responsibility of the Board to continuously assess the Company's and Group's financial position, which is done by ensuring that the Company's organisation is designed such that accounting, financial management, and other financial conditions are monitored in a reliable manner.

Pursuant to the Company's articles of association, the Company's Board shall consist of at least three and not more than ten board members, with not more than ten deputies. Board members are elected each year at the annual general meeting for the period up until the close of the next annual general meeting. The Company's Board currently consists of five members: Brian McGuire, Conor O'Brien, Brendan O'Riordan, Hans Schedin and Gerard Jones. The Board is presented in more detail in the section "Board of Directors, senior executives, and auditor".

Committees

The Board has assessed that, in view of the scope of operations and the size of the Company, it is not currently justified to set up special committees regarding audit and remuneration matters. These matters will be handled within the Board.

Managing director and senior executives

Zutec's Managing Director, Brendan O'Riordan, is responsible to the Board and handles the day-to-day management of the Company. In addition to the Managing Director, the management team consists of Conor O'Brien, CFO and Michael White, CTO.

The Managing Director and other senior executives are presented in more detail in the section "Board of Directors, senior executives, and auditor".

Internal control

The Board's internal control for responsibility is regulated in the Swedish Companies Act and the Annual Accounts Act, which contain requirements for annual external information in the corporate governance report on how internal control of financial reporting is organised. The Board and the Managing Director have overall responsibility for the internal control of the financial reporting.

Audit

The auditor shall audit the Company's annual report, consolidated accounts and accounting, as well as the administration of the Board and the Managing Director. After each financial year, the auditor shall issue an audit report and a consolidated audit report to the annual general meeting.

Pursuant to Zutec's articles of association, at least one and not more than three auditors, and not more than two deputy auditors, shall be appointed by the general meeting. The current auditor is the registered auditing company Mazars SET Revisionsbyrå AB, with Authorized Public Accountant, Bo Arne Holmström, as auditor in charge.

Remuneration to Board members and senior executives

Fees and other remuneration to the Company's Board members, including the Chairman, are determined by the general meeting. As of the date of this Prospectus, the general meeting of shareholders in the Company has not resolved on any fees or other remuneration to the Board members. In accordance with the above, remuneration to the Board members will be adopted by the annual general meeting 2018. However, during Zutech Inc. (Ireland) Ltd.'s last full financial year Brendan O'Riordan, Conor O'Brien and Brian McGuire received remuneration from Zutech Inc. (Ireland) Ltd. as set out in the table below. None of the Board members have the right to severance pay.

Neither the Company's Managing Directors, nor its CFO has received any salary or other remuneration from the Company. However, during Zutech Inc. (Ireland) Ltd.'s last full financial year the Managing Director, the CFO and the CTO of the Company received remuneration from Zutech Inc. (Ireland) Ltd. as set out in the table below. There is a mutual notice of termination of employment period of six months between the Company and the Managing Director. There is a mutual notice of termination of employment period of three months between the Company and the CFO as well as the CTO. Neither the Managing Director nor the other members of the management team have the right to severance pay. There are no allocated or accrued expenses for any former managing director or senior executives who have resigned

Name	Fees	Salary	Other remuneration	Pension costs	Social costs, payroll tax	Sum
All amounts in EUR						
Brendan O'Riordan (Board member and Managing Director)	-	90 300	20 000	4 515	12 343	127 158
Conor O'Brien (Board member and CFO)	20 000	84 250	20 000	4 213	13 810	142 272
Brian McGuire (Chairman)	20 000	84 250	20 000	4 213	13 810	142 272
Hans Schedin (Board member)	-	-	-	-	-	-
Gerard Jones (Board member)	-	-	-	-	-	-
Michael White (CTO)	-	91 875	20 000	4 594	12 520	128 989
Total (EUR)	40 000	350 675	80 000	17 534	52 482	540 691

LEGAL CONSIDERATIONS AND SUPPLEMENTARY INFORMATION

General information about the Company and the Group

Zutec Holding AB (publ), corporate registration number 559136-0317, is a Swedish public limited company (Sw. publikt aktiebolag) with its registered office in Stockholm. Zutec was founded on 27 October 2017 and was registered with the Swedish Companies Registration Office on 29 November 2017. Zutec's business is regulated by the Swedish Companies Act (2005:551). Zutec is the parent company of the Group, which despite Zutec consists of the wholly owned subsidiary Zutec Inc. (Ireland) Ltd., corporate registration number 313471. Through Zutec Inc. (Ireland) Ltd. The Company indirectly owns 100 per cent of the shares in Zutec Inc. (UK) Ltd., corporate registration number 04363905, 100 per cent of the shares in Zutec (Asia) Ltd., corporate registration number 1257208, 56 per cent of the shares in Zutec (Australia) Pty Ltd., corporate registration number ACN 129531531, and 49 per cent of the shares in Zutec Gulf LLC, corporate registration number 77258-1. Zutec Gulf LLC is currently under voluntary liquidation, which is expected to be finalized in February 2018. The Group's operations are mainly conducted through Zutec Inc. (Ireland) Ltd., headquartered in Dublin, Ireland.

Material agreements

The Company provides its services under a diverse set of customer agreements. In the main these contracts are generated by customers. The Company does not use a standard form of contract. The contracts are governed by law of the countries to where the services are provided and the courts of those countries are given jurisdiction to determine disputes in relation to the specific customer agreement. There are generally no provisions limiting the liability of the Company in respect of claims arising from the provision of the Company's services. However, the Company is not dependent on any single customer agreement.

Insurance

The Group is not covered by group insurance. The Board does, however, assess that all companies within the Group have sufficient insurance coverage appropriate for their operations. The Board will continually review the Company's insurance coverage, including the need of additional insurance coverage.

Disputes and legal proceedings

In November 2016 the Company's wholly owned subsidiary Zutec Inc. (Ireland) Ltd. was, by way of service, brought to legal proceedings before the High Court in Ireland, where the plaintiff claims damages, as a consequence of suffering severe personal injuries, loss, damage, inconvenience and expense together with losses in respect of special damages. The proceedings are being defended by the Company and are at the date of this Prospectus still ongoing. The Company's insurance brokers have advised the Company that the Company's insurers have confirmed that indemnity will be provided to the Company in respect of these claims, subject to the policy terms and conditions and based on what the insurers and their lawyers knew at the time of that confirmation. Considering that the Company's insurers have confirmed that indemnity will be provided to the Company in respect of these claims, the dispute is not considered to entail risk of negative effects on the

Company's operations, financial position or earnings.

Apart from what is described above, the Company is not, and has not been, a party to any disputes, legal proceedings or regulatory actions that may have a material adverse effect on the Company's business, financial positions or result, nor does the Company anticipate any such disputes.

Transactions establishing the Group

Zutec was registered with the Swedish Companies Registration Office on 29 November 2017 and has, up until date of this Prospectus, not been engaged in any business. On 3 January 2018, the Company was acquired by Zutec Inc. (Ireland) Ltd.

On 19 January 2018, the current shareholders of the Company acquired all shares in the Company from Zutec Inc. (Ireland) Ltd. on a pro rata basis, taking into account their shareholding in Zutec Inc. (Ireland) Ltd.

On 13 February 2018 the current shareholders of the Company transferred their entire holdings in Zutec Inc. (Ireland) Ltd. to the Company. Consideration was paid by way of a share issue in kind through which the current shareholders received additional shares in the Company in relation to their equity interest in Zutec Inc. (Ireland) Ltd. The transfer of Zutec Inc. (Ireland) Ltd. included a portfolio of four subsidiaries, whereof one is currently under voluntary liquidation. The Company acquired Zutec Inc. (Ireland) Ltd. at a purchase price of SEK 120 million. Based on the Board's knowledge of Zutec Inc. (Ireland) Ltd., it is the Board's assessment that the value of Zutec Inc. (Ireland) Ltd. corresponds to the consideration that was paid.

Through the above mentioned transactions, the Company became the parent company of the Group.

Agreements and transactions with related parties

Apart from what is described under "Transactions establishing the Group", the Company has not entered any transactions and/or conducted any transactions with related parties other than the employment agreements with Brendan O'Riordan as Managing Director, Conor O'Brien as CFO and Michael White as CTO.

Shareholders agreement

To the Board's knowledge, there are no shareholder agreements or similar agreements that could lead to a shift of control of the Company.

Intellectual property rights

Vid datumet för detta Prospekt har Bolaget inga registreAs of the date of the Prospectus the Company does not have any registered trademarks or patents. ZuteC is not dependent on any particular intellectual property right.

However, on 2 September 2014, ZuteC Inc. (Ireland) Ltd. signed a Heads of Agreement with University College Dublin and the National University of Ireland, Galway, with a view to entering into a research project called "ZuteC BIM2BEM". The Company has negotiated a non-binding term sheet for license agreement between the Company and University College Dublin but it has, as of the date of this Prospectus, not been executed. The term sheet is expected to be signed on 28 February 2018 at the latest.

Group structure

As of this Prospectus, the Group consisted of six (6) companies. All of the subsidiaries are owned directly or indirectly by the Company, which is the parent company of the Group. The subsidiaries of the Company (both directly and indirectly owned) are set out in the table below.

Directly owned subsidiaries	Corporate registration number	Place of incorporation	Share of capital and votes
ZuteC Inc. (Ireland) Ltd.	313471	Ireland	100%
Indirectly owned subsidiaries			
ZuteC Inc. (UK) Ltd.	4363905	United Kingdom	100%
ZuteC (Asia) Ltd.	1257208	Hong Kong	100%
ZuteC (Australia) Pty Ltd.	ACN 129531531	Australia	56%
ZuteC Gulf LLC (under voluntary liquidation)	77258-1	Bahrain	49%

Corporate governance

Since First North is not a regulated market, ZuteC is not required to comply with the Code (sw. Svensk kod för bolagsstyrning). Therefore

Interest of advisors

Advisors in Sweden

Remium is financial advisor, as well as Certified Adviser, to the Company in connection with the Offering and the Listing. In this capacity, Remium has an economic interest in the Company in terms of the remuneration Remium can receive. Remium conducts securities business (sw. värdepappersrörelse), which, among other things, includes transactions for its own account. In the course of this business, Remium may trade in or take positions in securities which are directly or indirectly linked to the Company.

Hagberg & Aneborn acts as issuing agent in connection with the Offering and the Listing. Hagberg & Aneborn has an economic interest in the Company in terms of the remuneration Hagberg & Aneborn can receive at the completion of the Offering.

MAQS is assisting the Company as legal advisor in connection with the Offering and the Listing. MAQS receives ongoing remuneration for the services it provides the Company. MAQS has no further interests, economic or otherwise in the Offering. The Board member Hans Schedin is senior counsel at MAQS. Hans Schedin has not, and will not, attend Board matters in which there is a risk of conflicts of interest between his duties towards the Company and his role as a senior counsel at MAQS, or any other duties and/or interests.

Advisors in Ireland

Gerard Jones is assisting the Company as financial advisor in connection with the Offering and the Listing. In this capacity, Gerard Jones receives ongoing remuneration for the services he provides the Company. Gerard Jones is a

Board member of the Company. Gerard Jones has not, and will not, attend Board matters in which there is a risk of conflicts of interest between his duties towards the Company and his role as a financial advisor to the Company, or any other duties and/or interests.

Reddy Charlton Solicitors acts as legal advisor to the Company in relation to Irish law in connection with the Offering and the Listing. Reddy Charlton Solicitors receives ongoing remuneration for the services it provides the Company. Reddy Charlton Solicitors has no further interests, economic or otherwise in the Offering.

Subscription commitments

Cornerstone Investors including the Board, institutional and professional investors from Sweden and Ireland have in subscription undertakings undertaken to acquire shares in the Offering in a total amount of SEK 40 million, corresponding to 80 per cent of the shares in the Offering. The undertakings of the Cornerstone Investors are not secured by means of bank guarantees, restricted funds, pledging or any similar arrangement.

Cornerstone Investors who have undertaken to subscribe for shares corresponding to at least five per cent in the Offering, are set forth below.

Cornerstone Investor	Amount (SEK)	Percentage of the Offering
Humble Småbolagsfond i Stockholm	10,000,000	20%
Ålandsbanken Funds Ltd.	7,100,000	14%
Modelio Equity AB	6,000,000	12%
LMK Forward AB	4,000,000	8%
Jens Mißen	3,000,000	6%
Other cornerstone investors	9,900,000	20%
Total	40,000,000	80%

Liquidity provider

Remium acts as ZuteC's liquidity provider with the purpose of providing liquidity in the trading of the Company's share. As a liquidity provider, Remium provides purchase and sales volumes of at least SEK 15,000 each in the order book, with a maximum spread of 4 per cent between the purchase and sale price.

Documents Incorporated by Reference

The following documents, which are available on the Company's website (www.zutec.com), are incorporated to the Prospectus by reference and thereby form a part of the Prospectus.

- ◇ Audited financial statements for Zutec Holding AB for the period 2017-11-29 – 2017-12-31 [Link](#)
- ◇ Audit report for Zutec Holding AB for the period 2017-11-29 – 2017-12-31 [Link](#)
- ◇ Audit report for Zutec Inc. (Ireland) Ltd. for year 2016. [Link](#)
- ◇ Audit report for Zutec Inc. (Ireland) Ltd. for year 2017 [Link](#)
- ◇ Audit report for Zutec (Asia) Ltd. for year 2016. [Link](#)
- ◇ Audit report for Zutec (Asia) Ltd. for year 2017 [Link](#)

Documents available for inspection

Copies of the Prospectus, the Company's articles of association, the Company's audited financial report for the period 2017-11-29 – 2017-12-31, the audit report for the period 2017-11-29 – 2017-12-31, audit reports for Zutec Inc. (Ireland) Ltd. for the years 2016 and 2017, audit reports for Zutec (Asia) Ltd. for the years 2016 and 2017 and financial reports for the Company's subsidiaries for the fiscal years 2016 and 2017 are available electronically on the Company's website, (www.zutec.com). Where applicable, the audit report for the annual reports in their original languages are also available on this address.

ARTICLES OF ASSOCIATION

The English text is an uncertified translation and in the event of any inconsistency between the English text and the Swedish text, the Swedish text shall prevail.

ZUTEC HOLDING AB - BOLAGSORDNING / ARTICLES OF ASSOCIATION

1 FIRMA / COMPANY NAME

Bolagets firma är Zutec Holding AB. Bolaget är publikt (publ).

The company's name is Zutec Holding AB. The company is a public company (publ).

2 STYRELSENS SÄTE / THE REGISTERED OFFICE OF THE COMPANY

Styrelsen ska ha sitt säte i Stockholms kommun.

The registered head of office of the company is situated in the municipality of Stockholm.

3 VERKSAMHET / OBJECTS OF THE COMPANY

Bolaget ska, direkt eller indirekt via dotterbolag, äga och förvalta mjukvaru- eller teknikserviceföretag, idka handel med värdepapper samt bedriva därmed förenlig verksamhet.

The company shall, directly or indirectly through subsidiaries, own and manage software solution or technical services companies, conduct trade with securities as well as any activity compatible therewith.

4 AKTIEKAPITAL / SHARE CAPITAL

Aktiekapitalet ska utgöra lägst 1 000 000 kronor och högst 4 000 000 kronor.

The share capital shall be not less than SEK 1,000,000 and not more than SEK 4,000,000.

5 ANTAL AKTIER / NUMBER OF SHARES

Antalet aktier ska vara lägst 5 000 000 och högst 20 000 000.

The number of shares shall be no fewer than 5,000,000 and no more than 20,000,000.

6 STYRELSE / THE BOARD OF DIRECTORS

Styrelsen ska bestå av lägst tre och högst tio ledamöter med högst tio suppleanter.

The board of directors shall consist of no less than three and no more than ten directors, with no more than ten alternate directors.

7 REVISORER / AUDITORS

För granskning av aktiebolagets årsredovisning jämte räkenskaperna samt styrelsens och verkställande direktörens förvaltning ska bolaget ha en till tre revisorer och högst två revisorssuppleanter.

One to three auditors, and not more than two alternate auditors, shall be appointed to audit the company's annual accounts and accounting, and review the management of the company by the board of directors and the managing director.

8 KALLELSE / NOTICE

Kallelse till årsstämma samt kallelse till extra bolagsstämma där frågor om ändring av bolagsordningen kommer att behandlas ska utfärdas tidigast sex och senast fyra veckor före stämman. Kallelse till annan extra bolagsstämma ska utfärdas tidigast sex veckor och senast två veckor före stämman. Kallelse till bolagsstämma ska ske genom annonsering i Post- och Inrikes Tidningar samt på bolagets hemsida. Att kallelse skett ska annonseras i Dagens Industri.

Notice to attend an annual general meeting or extra general meeting at which the issue of amendment of the articles of association is to be addressed shall be given not earlier than six weeks and not later than four weeks prior to the meeting. Notice to attend any other extraordinary general meeting shall be given not earlier than six weeks and not later than two weeks prior to the meeting. Notice to attend a general meeting shall be published in Post- och Inrikes Tidningar and on the company's website. The fact that notice has been given shall be published in Dagens Industri.

Aktieägare som vill delta i bolagsstämman ska dels (i) vara upptagna i sådan utskrift eller annan framställning av hela aktieboken som avses i 7 kap. 28 § 3 stycket aktiebolagslagen (2005:551), avseende förhållanden fem (5) vardagar före stämman, dels (ii) anmäla sitt deltagande till bolaget senast den tidpunkt och den dag som anges i kallelsen till stämman. Sistnämnda dag får inte vara söndag, annan allmän helgdag, lördag, midsommarafton, julafton eller nyårsafton och inte infalla tidigare än femte vardagen innan stämman.

Aktieägare får vid bolagsstämman medföra ett (1) eller två (2) biträden, dock endast om aktieägaren anmält detta enligt förgående stycke.

Shareholders wishing to attend a general meeting must (i) be recorded in such a transcript or other manner of the entire shareholders' ledger as set out in Chapter 7 Section 28 Subsection 3 of the Swedish Companies Act (2005:551), regarding conditions five (5) business days prior to the general meeting, and (ii) reports its participation to the company no later than the time date and time set out in the notice to the general meeting. The latter date may not be a Sunday, other public holiday, Saturday, Midsummer's Eve, Christmas Eve or New Year's Eve and may not take place earlier than the fifth business day prior to the general meeting.

Shareholders may bring one (1) or two (2) advisors to the general meeting, subject to the shareholder notifying this according to what is set out above.

10 **ÅRSSTÄMMA / ANNUAL GENERAL MEETING**

Årsstämma ska hållas årligen inom sex (6) månader efter räkenskapsårets utgång.

På årsstämma ska följande ärenden förekomma:

1. Val av ordförande för stämman.
2. Upprättande och godkännande av röstlängd.
3. Godkännande av dagordning.
4. Val av en eller två justeringsmän.
5. Prövning av om stämman blivit behörigen sammankallad.
6. Framläggande av årsredovisning och revisionsberättelse samt i förekommande fall koncernredovisning och koncernrevisionsberättelse.
7. Beslut om:
 - (a) fastställande av resultaträkning och balansräkning samt i förekommande fall koncernresultaträkning och koncernbalansräkning.

- (b) disposition beträffande bolagets vinst eller förlust enligt fastställd balansräkning.
 - (c) ansvarsfrihet åt styrelseledamöter och verkställande direktör, när sådan förekommer.
8. Fastställande av styrelse- och, i förekommande fall, revisorsarvode.
 9. Val av styrelse och, i förekommande fall, revisorer.
 10. Annat ärende som ankommer på stämman enligt aktiebolagslagen eller bolagsordningen.

The annual general meeting shall be held annually within six (6) months of the end of the financial year.

The following matters shall be addressed at the annual general meeting:

1. Appointment of a chairman of the general meeting.
2. Preparation and approval of the register of voters.
3. Approval of the agenda.
4. Appointment of one or two persons to verify the minutes of the meeting.
5. Determination of whether the general meeting was duly convened.
6. Presentation of the annual accounts and auditors' report and, where applicable, the consolidated annual accounts and consolidated auditors' report.
7. Resolutions regarding:
 - (a) approval of the profit and loss account and balance sheet and, where applicable, the consolidated profit and loss account and balance sheet;
 - (b) allocation of the company's profits or losses in accordance with the approved balance sheet; and
 - (c) discharge of liability for the board of directors and, where applicable, the managing director.
8. Determination of fees for the board of directors and the auditors.
9. Appointment of directors and, when applicable, auditors.

10. Any other matter, which pursuant to the Swedish Companies Act or the articles of association of the company, must be passed at a general meeting.

11 RÄKENSKAPSÅR / FINANCIAL YEAR

Bolagets räkenskapsår är 1 juli – 30 juni.

The financial year of the company shall be 1 July – 30 June.

12 AVSTÄMNINGSFÖRBEHÅLL / RECORD DAY PROVISION

Den aktieägare eller förvaltare som på avstämningsdagen är införd i aktieboken och antecknad i ett avstämningsregister, enligt 4 kap. lagen (1998:1479) om kontoföring av finansiella instrument eller den som är antecknad på avstämningskonto enligt 4 kap. 18 § första stycket 6-8 nämnda lag, ska antas vara behörig att utöva de rättigheter som framgår av 4 kap. 39 § aktiebolagslagen (2005:551).

The shareholder or nominee who, on the record date, is entered in the share register and noted in a central securities depository register pursuant to Chapter 4 of the Swedish Financial Instruments Act (1998:1479), or any party registered in a central securities depository account pursuant to Chapter 4, section 18, first paragraph, points 6-8 of that Act, shall be assumed to be authorized to exercise the rights set forth in Chapter 4, section 39 of the Swedish Companies Act (2005:551).

13 TVISTERAS AVGÖRANDE AV SKILJEMÄN / SETTLEMENT OF DISPUTES THROUGH ARBITRATION

Skulle tvist uppkomma mellan bolaget och styrelsen, styrelseledamot, verkställande direktör, likvidator eller aktieägare, ska den hänskjutas till avgörande av skiljemän i enlighet med lagen (1999:116) om skiljeförfarande.

In the event of a dispute between the company and the board of directors, a director, the managing director, a liquidator or a shareholder, the matter shall be determined by arbitrators in accordance with the Swedish Arbitration Act (1999:116).

TAX CONSEQUENCES IN SWEDEN

The following summary outlines certain Swedish tax considerations and their consequences that are actualised for natural persons and limited liability companies that, unless otherwise stated, are subject to unlimited tax liability in Sweden due to the holding and trading of shares in the Company after admission to trading on First North. The summary is based on the shares in the Company being fiscally considered listed, which is the case if trading of the shares on First North takes place to a sufficient extent. Furthermore, the summary is based on current Swedish legislation at the time of publication of the Prospectus and is intended only as general information pertaining to the shares in the Company from the time the shares are admitted to trading on First North.

The summary does not address:

- ◇ situations when shares are held as current assets in business operations;
- ◇ situations when shares are held by limited partnerships or trading companies;
- ◇ situations when shares are held through an endowment policy or an investment savings account (sw. Investeringssparkonto (ISK));
- ◇ the specific rules on tax-exempt capital gains (including non-deductibility for capital losses) and dividends that may be applicable when shares are considered to be held by an investor for business purposes;
- ◇ the specific rules that in some cases may be applicable to holdings in companies that are, or have previously been, closely held companies, or shares acquired on the basis of such holdings;
- ◇ foreign companies operating from a permanent establishment in Sweden; or
- ◇ foreign companies that have previously been Swedish companies.

Special tax rules apply to certain business categories, for example, investment companies and investment funds, and for individuals who are subject to limited tax liability in Sweden. The tax treatment of each individual shareholder depends on such investor's particular circumstances. Each shareholder should therefore consult an independent tax advisor for information on the specific tax implications that may arise in an individual case, including the applicability and effect of foreign tax rules, double taxation provisions and other applicable rules.

Taxation in Sweden on sale of shares by natural persons

Upon the sale or other disposal of listed shares, a taxable capital gain or deductible capital loss may arise. For natural persons who are subject to unlimited tax liability in Sweden, interests, dividends and capital gains are taxed as capital income. The tax rate on capital income is 30 per cent. The capital gain or loss is calculated as the difference between the sales proceeds, after deducting sales costs

and the tax basis. The tax basis for all shares of the same class and type is calculated together using the average cost method. Alternatively, upon the sale of listed shares, the standardised approach may be used. According to the standardised approach, acquisition value is determined at 20 per cent of the net sales proceeds.

Capital losses on listed shares are fully deductible against taxable capital gains on shares, listed securities taxed as shares realised in the same year (not, however, on units in securities funds or special funds which consist solely of Swedish receivables, in Swedish so-called "räntefonder"). 70 per cent of capital losses that cannot be offset in this way are deductible against other capital income.

If there is a net loss in the capital income category, a reduction is allowed against taxes on income from employment or business operations, as well as on real estate tax and municipal real estate charges. A tax reduction of 30 per cent is allowed on the portion of such net loss that does not exceed SEK 100,000 with a tax reduction of 21 per cent allowed on any remaining loss. Such net loss cannot be carried forward to future tax years.

Dividend tax

For natural persons who are subject to unlimited tax liability in Sweden, dividends on listed shares are taxed as capital income at a tax rate of 30 per cent. For natural persons, a preliminary tax of 30 per cent on dividends is normally withheld. The preliminary tax is generally withheld by Euroclear Sweden or, with respect to nominee-registered shares, by the nominee.

Limited liability companies

For Swedish limited liability companies, all income, including taxable capital gains and taxable dividends, is taxed as income from business operations. The tax rate on income from business operations is 22 per cent. Capital gains and capital losses are calculated in the same manner as set forth above with respect to individuals (see description under "Taxation in Sweden on sale of shares by natural persons").

Deductible capital losses on shares may only be deducted against taxable capital gains on shares and other securities taxed as shares. A capital loss that could not be utilised during a given financial year may be carried forward (by the limited liability company that had the loss) and be deducted against taxable capital gains on shares and other securities taxed as shares in subsequent financial years, without limitation in time. Should a capital loss not be deducted by the company that had the loss, it may be deducted against taxable capital gains on shares and other securities taxed as shares by another company within the same group as long as there are group contribution rights between the companies and both companies request it for a financial year with the same tax declaration date (or that would have the same date unless one of the companies' accounting obligation ceases). Special tax rules may apply to certain company categories or certain legal entities, such as investment funds and investment companies.

Shareholders with limited tax liability in Sweden

For shareholders with limited tax liability in Sweden and who receive dividends on shares in a Swedish limited liability company, a standard Swedish dividend tax generally applies. The same applies to payments from a Swedish limited liability company in connection with, among other things, redemption of shares and repurchase of own shares through an acquisition offer directed to all shareholders or all holders of shares of a particular type. The tax rate is 30 per cent. However, the dividend tax rate is often reduced by tax treaties for the avoidance of double taxation. The majority of Sweden's tax treaties for the avoidance of double taxation enable a reduction of the Swedish tax to the tax rate stipulated in the treaty directly at the time of payment of dividends, provided that the necessary information about the individual entitled to such dividends is available. In Sweden, Euroclear Sweden, or, for nominee registered shares, the nominee generally carries out the withholding. If a 30 per cent dividend tax is withheld from a payment to a person entitled to be taxed at a lower rate, or if too much dividend tax has been withheld, a refund can be claimed from the Swedish Tax Agency prior to the expiry of the fifth calendar year following the dividend payment.

Shareholders with limited tax liability in Sweden – and who are not operating a business from a permanent establishment in Sweden – are generally not liable for Swedish capital gains taxation on the disposal of shares. Shareholders may be subject to taxation on capital gains as well as dividends in their country of residence.

Under a specific rule, natural persons with limited tax liability in Sweden are, however, subject to capital gains taxation in Sweden on the disposal of shares in the Company, if they have been resident or lived permanently in Sweden at any time during the calendar year of such disposal or during any of the previous ten calendar years. The application of this rule is, however, often limited by tax treaties for the avoidance of double taxation.

TAX CONSEQUENCES IN CERTAIN COUNTRIES

Tax consequences in Ireland

The following is a general guide to the material taxation consequences in Ireland arising for investors regarding the ownership and disposal of Ordinary Shares in the Company. This is intended as a general guide only, and is not an exhaustive analysis of all possible taxation considerations. Investors should in all cases satisfy themselves as to the tax consequences of the ownership or disposal of shares by consulting their own tax advisers. The gift and inheritance tax consequences of ownership of Ordinary Shares is not considered in this document. The relevant tax implications arising in Ireland are set out below and should be reviewed by all investors, whether or not they are resident in Ireland.

Ireland – Taxation

This section outlines the substantive Irish taxation implications for an investor who holds Ordinary Shares in the Company, where these Ordinary Shares are held as capital assets. The information contained is provided based on current Irish tax laws and Revenue practice and rates of taxation in force at the date of this document, which may be subject to change, even retrospectively. The summary does not purport to address all possible tax consequences relating to an investment in the Company's shares. In particular, it does not address the tax implications for certain classes of investors, such as dealers in securities of owning Ordinary Shares. Furthermore, it does not outline the effect that any provisions contained in double tax agreements may have.

Taxation of dividends on Ordinary Shares

Dividend Withholding Tax

Typically, distributions made by the Company are liable to dividend withholding tax ("DWT") at the standard rate of income tax (currently 20 per cent). Legislation provides for some exempt classes of shareholder in this regard, and this is discussed in more detail below.

A dividend includes any distribution made by the Company to its shareholders, including cash dividends, non-cash dividends and additional shares taken in lieu of a cash dividend, for the purposes of DWT. Where an exemption from DWT applies, the Company are obliged under Irish tax law to collate specific documentation prior to making a payment without the deduction of DWT. Assuming that all legislative requirements have been met, DWT will not be payable. In circumstances where DWT is payable, the tax should be deducted at source because the responsibility for the collection and remittance to the Irish Revenue Commissioners, lie with the Company.

Certain classes of shareholders that are resident in Ireland for tax purposes are entitled to an exemption from DWT, including, inter alia, companies, charities and pension funds. Typically, where dividends are payable to Irish resi-

dent individuals, DWT is applicable.

Certain non-Irish tax resident shareholders (both individual and corporate) are entitled to exemption from

DWT. In particular, a non-Irish resident shareholder is not subject to DWT on dividends received from the

Company if the shareholder is:

- ◇ an individual shareholder resident for tax purposes in either a member state of the EU (apart from Ireland) or in a country with which Ireland has a double tax treaty, and the individual is neither resident nor ordinarily resident in Ireland; or
- ◇
- ◇ a corporate shareholder that is not resident for tax purposes in Ireland and which is ultimately controlled, directly or indirectly, by persons resident in either a member state of the EU (apart from Ireland) or in a country with which Ireland has a double tax treaty; or
- ◇ a corporate shareholder not resident for tax purposes in Ireland nor ultimately controlled by persons so resident and resident for tax purposes in either a member state of the EU (apart from Ireland) or a country with which Ireland has a double tax treaty; or
- ◇ •a corporate shareholder that is not resident for tax purposes in Ireland and whose principal class of shares (or those of its 75.0 per cent. parent) is substantially and regularly traded on a recognized stock exchange in either a member state of the EU (apart from Ireland) or in a country with which Ireland has a double tax treaty or on an exchange approved by the Irish Minister for Finance; or
- ◇ a corporate shareholder that is not resident for tax purposes in Ireland and is wholly owned, directly or indirectly, by two or more companies the principal class of shares of each of which is substantially and regularly traded on a recognised stock exchange in either a member state of the EU (apart from Ireland) or in a country with

and provided that, in all cases noted above, the shareholder has made the appropriate declaration to the Company prior to payment of the dividend.

Irish tax on dividends: non-Irish resident shareholders

Non-Irish resident shareholders are subject to Irish income tax at the standard rate on distributions received from the Company unless they are entitled to an exemption from DWT. In such circumstances, the DWT deducted by the Company satisfies such liability to Irish income tax. Where a non-resident shareholder is entitled to exemption from DWT, then no Irish income tax arises. Where DWT has been deducted by the Company in instances where an ex-

emption is in place, a claim may be made for a refund of the DWT from the Irish Revenue Commissioners.

Irish tax on dividends: Irish resident shareholders

Irish resident individual shareholders are subject to Irish income tax on the gross dividend payable by the Company. The gross dividend is the net dividend received plus DWT. Tax is payable at the individuals marginal rate of income tax, universal social charge ("USC") and PRSI. The level of income tax, USC and PRSI is dependent on the individual's total income for income tax purposes. A credit is available against their liability for any DWT deducted by the Company.

Irish resident companies are typically exempt from Irish tax on dividends received from Irish resident companies. An investment income surcharge of 20 per cent can be levied on close companies in certain instances. A close company in this context can be broadly defined as one which is under the control of five or fewer shareholders.

Capital gains tax

Capital Gains Tax (CGT) is charged at the rate of 33 per cent in Ireland. Irish resident shareholders are subject to Irish capital gains tax on gains arising on the disposals of Ordinary Shares. Individual investors can mitigate their liability to CGT by claiming an annual allowance and by offsetting capital losses against their gains if appropriate.

Non-resident or non-ordinarily resident individuals are subject to Capital Gains Tax in Ireland where the Ordinary shares

- (i) *are or were held for the purposes of a trade carried on by the shareholder in Ireland, or*
- (ii) *derive the greater part of their value from Irish land or exploration rights and are unquoted.*

An Irish resident individual who is a shareholder and who ceases to be Irish resident for a period of less than five years and who disposes of Ordinary Shares during that period, may be liable, on a return to Ireland, to capital gains tax on any gain realised.

Swedish withholding tax

Zutec Holding AB (publ) should be regarded as a tax subject of Ireland only and not in Sweden, however, as the Company is registered in Sweden there may be instances where Swedish withholding tax is deducted in conjunction with the payment of dividend to certain categories of investors. Investors who are not resident in Sweden should be able to offset or deduct such withholding tax when the dividend is paid depending on the investors taxation situation and any applicable double taxation agreements.

Tax consequences in Norway

Norwegian shareholder is initially taxable for dividends and profits from foreign companies, but there are extensive exemptions

Limited liability companies as shareholders:

The tax exemption method, cf. Section 2-38 of the Norwegian Taxation Act, implies that shareholders organized as limited companies etc. as a rule are exempt from tax on dividends received and capital gains on shares, mutual fund holdings and financial instruments with shares comprised by the tax exemption method as underlying assets. Losses on the sale of shares and holdings comprised by the tax exemption method are not tax deductible. With respect to dividends comprised by the tax exemption method and dividends from businesses assessed as partnerships, 3 per cent of such income is liable to tax. As of 2018 the tax rate is 23 per cent.

Natural persons as shareholders:

The shareholder model applies to shareholders who are natural persons resident in Norway. A personal taxpayer may claim a deduction for shielding in dividends from a foreign limited company, in the same way as for dividends from Norwegian companies. The shielding rules shall ensure that an amount of income corresponding to the normal return on a shareholder's investment in a company is not taxed as dividends. Each year, a shielding deduction is computed, forming the basis for the dividend personal shareholders can receive free of tax. The annual shielding deduction is calculated by multiplying the shielding basis for the share by a shielding interest. For 2017 the shielding interest is set to 0.7 per cent. The shielding basis represents the amount the shareholder has paid for the share, with the addition of any unused shielding deduction carried forward from previous years. Dividend beyond the shielding deduction is taxed with 30.59 per cent as of 2018. A personal taxpayer may also require a deduction from the Norwegian tax on the dividend (credit deduction) for the foreign withholding tax.

Tax consequences in Finland

This section outlines the substantive Finnish taxation implications for a portfolio investor (ownership less than 10 per cent) who holds listed shares in the Company.

The information contained is provided based on current Finnish tax laws and tax authorities practice and rates of taxation in force at the date of this document. The summary does not purport to address all possible tax consequences relating to an investment in the Company's shares. In particular, it does not address the tax implications for certain classes of investors, such as pension companies owning shares in the Company.

Taxation of dividends on listed shares

Finnish portfolio (ownership less than 10 per cent) investors usually suffer Swedish tax at source withholding of 15 per cent on Swedish source dividend income.

Dividend from listed shares is fully taxable income to Finnish non-listed company. Corporate income tax rate is 20 per cent and after Swedish tax credit (if applicable) of 15 per cent effective Finnish tax of 5 per cent will be due on dividend income.

Finnish corporate investors that own at least for 10 per cent of the Company or Finnish listed investors may receive dividend from listed Swedish company tax exempted.

For Finnish individual shareholder dividend from listed shares is regarded as capital income and taxable at a capital income tax rate of 30 per cent and 34 per cent for annual capital income exceeding EUR 30,000. However, only 85 per cent from listed dividend income is regarded as taxable income. Thus, effective Finnish tax rate is 25.5 per cent and after Swedish tax credit (if applicable) 10.5 per cent effective Finnish tax will be due.

Taxation of capital gains

Finnish resident shareholders are subject to tax on capital gains arising on the disposals of shares in listed Company.

Corporate investors are taxed on capital gains at a corporate income tax rate of 20 per cent. However if corporate investor owns at least for 10 per cent of the Company and shares are regarded as business assets sale may be tax exempted.

Individual investors are taxed on capital gains at a capital income rate of 30 per cent and 34 per cent for annual capital income exceeding EUR 30,000.

Especially for corporate investors offsetting of capital losses may be limited e.g. if investment is regarded as non-business related assets.

— ADDITIONAL FINANCIAL INFORMATION —

The information in this section should be read in conjunction with the sections "Selected financial information", "Comments to the selected financial information" and "Pro forma financial statements".

No legal consolidation has been prepared for the Group or the subsidiary Zutech Inc. (Ireland) Ltd. before. Hence, this section presents condensed historical financial information for each company in the Group, apart from those presented in the section "Selected financial information".

The historical financial information of the subsidiaries is prepared according to local accounting principles and standards applicable in each subsidiary company. Based on the limited operations conducted in the subsidiaries, the Company believes that there are no material differences between these and the Company's accounting principles.

The information in this section is sourced from audited and unaudited financial reports and annual reports, it is expressly stated whether the information is audited or not.

The reports of the subsidiaries were prepared in each company's home country currency. The financial information in this section is presented in both the original currency and in SEK. The financial information has been converted to SEK. The exchange rates that were used for conversion of the balance sheets are the closing rates of each currency in relation to SEK on the final day of each period. The exchange rates that were used for conversion of the income statements are the average exchange rate on each currency in relation to SEK of each period. The converted financial information has not been audited. The exchange rates have been sourced from the Swedish Riksbank (Sw. Sveriges Riksbank). The applied exchange rates are set out in the table below.

SEK per unit	Period						
	2017-07-01 - 2017-12-31	2017-01-01 - 2017-12-31	2016-07-01 - 2017-06-30	2015-07-01 - 2016-06-30	2016-01-01 - 2016-12-31	2016-01-01 - 2017-06-30	2015-01-01 - 2015-12-31
EUR	9.67		9.62	9.33			
HKD	1.05	1.10			1.10		
GBP	10.84					11.18	12.89
AUD	6.41		6.65	6.13			

SEK per unit	Balance day				
	2017-12-31	2017-06-30	2016-12-31	2016-06-30	2015-12-31
EUR	9.85	9.67		9.42	
HKD	1.05		1.17		
GBP	11.10	11.01			12.38
AUD	6.42	6.50		6.28	

Zutec (Australia) Pty Ltd.

The financial information has been sourced from a financial report for the period 2016-06-30 – 2017-06-30. The report was compiled by Public Accountants in Australia, working under instructions from the board of directors of Zutec (Australia) Pty Ltd., in accordance with APES 315 Compilation of Financial Information. The report was prepared in accordance with basic and internationally accepted accounting principles for accruals, prudence, consistency and going concern. The information has not been audited. The company has not according to Australian law been obliged to draw up annual accounts and is also exempted from the requirement on audits. Thus, there are no annual accounts from the period before 2016-06-30-

Income statement Zutec (Australia) Pty Ltd.	2016-07-01 - 2015-07-01 - 2017-06-30 2016-06-30		2016-07-01 - 2015-07-01 - 2017-06-30 2016-06-30	
	(Unaudited) AUD	(Unaudited) AUD	(Unaudited) SEK	(Unaudited) SEK
Turnover	477 759	413 140	3 178 387	2 530 627
Gross profit	477 759	413 140	3 178 387	2 530 627
Sales and administrative expenses	- 367 480	- 588 687	- 2 444 734	- 3 605 914
Other operating income				
Operating profit	110 279	- 175 547	733 653	- 1 075 287
Net financial expense/income	448	455	2 980	2 787
Profit before taxes	110 727	- 175 092	736 634	- 1 072 500
Taxes	- 35 098	-	- 233 496	-
Profit for the period	75 629	- 175 092	503 137	- 1 072 500
Balance sheet Zutec (Australia) Pty Ltd.	2017-06-30 2016-06-30		2017-06-30 2016-06-30	
	(Unaudited) AUD	(Unaudited) AUD	(Unaudited) SEK	(Unaudited) SEK
Tangible assets	-	-	-	-
Intangible assets	-	-	-	-
Financial assets	-	-	-	-
Current assets	70 276	132 545	456 928	832 277
Cash and cash equivalents	143 426	44 357	932 542	278 526
Total assets	213 702	176 902	1 389 469	1 110 803
Shareholders' equity	- 299 006	- 374 635	- 932 542	- 278 526
Long term liabilities				
Current liabilities	512 708	551 537	3 333 576	3 463 211
Total shareholders' equity and liabilities	213 702	176 902	1 389 469	1 110 803

Zutec (Asia) Ltd.

The financial information is sourced from the company's financial reports for the fiscal years 2017 and 2016, that were prepared according to the Hong Kong Companies ordinance. The financial information is prepared in accordance with applicable accounting standards for private entities in Hong Kong (HKFRS for Private Entities), issued by the Hong Kong institute of Certified Public Accountants. The information is audited by the company's auditor. The audit reports for both periods are incorporated into the prospectus by reference. The company's reporting currency is HKD and has been converted in to SEK. The converted financial information is not audited.

Income statement Zutec (Asia) Ltd.	2017-01-01 - 2016-01-01 -		2017-01-01 - 2016-01-01 -	
	2017-12-31 (Audited) HKD	2016-12-31 (Audited) HKD	2017-12-31 (Unaudited) SEK	2016-12-31 (Unaudited) SEK
Turnover	-	-	-	-
Gross profit	-	-	-	-
Sales and administrative expenses	- 21 820	- 26 193	- 23 926	- 28 878
Other operating income				
Operating profit	- 21 820	- 26 193	- 23 926	- 28 878
Net financial expense/income	- 1 838	- 160	- 2 015	- 176
Profit before taxes	- 23 658	- 26 353	- 25 942	- 29 054
Taxes	-	-	-	-
Profit for the period	23 658	26 353	- 25 942	- 29 054
Balance sheet Zutec (Asia) Ltd.	2017-12-31		2017-12-31	
	(Audited) HKD	(Audited) HKD	(Unaudited) SEK	(Unaudited) SEK
Tangible assets	-	-	-	-
Intangible assets	-	-	-	-
Financial assets	-	-	-	-
Current assets	9 255	-	9 749	-
Cash and cash equivalents	247 589	248 421	260 810	291 423
Total assets	256 844	248 421	270 559	291 423
Shareholders' equity	- 91 888	- 72 006	- 96 795	- 84 470
Long term liabilities	-	-	-	-
Current liabilities	348 732	320 327	367 354	375 776
Total shareholders' equity and liabilities	256 844	248 321	270 559	291 305

Zutec Inc. (UK) Ltd.

The financial information is sourced from the company's financial reports for the fiscal years 2017 and 2016, which were prepared in accordance with the Companies Act of 2006 and applicable laws in the UK. The reports are prepared according to generally accepted accounting principles in the UK (UK GAAP), which includes FRS 102, which is issued by the Financial Reporting Council. The company's reporting currency is GBP. The information is not audited. The fiscal year ended on 30 June 2017 was extended, which was done to harmonize with the Group's fiscal year that the following year will run from 1 July to 30 June.

Income statement Zutec Inc. (UK) Ltd.	2016-01-01 - 2017-06-30	2015-01-01 - 2015-12-31	2016-01-01 - 2017-06-30	2015-01-01 - 2015-12-31
	(Unaudited) GBP	(Unaudited) GBP	(Unaudited) SEK	(Unaudited) SEK
Turnover	81 588	-	912 372	-
	- 45 680	-	- 510 825	-
Gross profit	35 908		401 547	
Sales and administrative expenses	- 62 975	- 1 500	- 704 229	- 19 338
Other operating income	-	-	-	-
Operating profit	- 27 067	- 1 500	- 302 681	- 19 338
Net financial expense/income	- 12	- 60	- 134	- 774
Profit before taxes	- 27 079	- 1 560	- 302 816	- 20 112
Taxes	-	-	-	-
Profit for the period	- 27 079	- 1 560	- 302 816	- 20 112
Balance sheet Zutec Inc. (UK) Ltd.	2017-06-30	2015-12-31	2017-06-30	2015-12-31
	(Unaudited) GBP	(Unaudited) GBP	(Unaudited) SEK	(Unaudited) SEK
Tangible assets	-	-	-	-
Intangible assets	-	-	-	-
Financial assets	-	-	-	-
Current assets	19 610	-	215 992	-
Cash and cash equivalents	388		4 274	-
Total assets	19 998	100	220 266	1 238
Shareholders' equity	- 28 539	- 1 460	- 314 340	- 18 073
Long term liabilities	-	-	-	-
Current liabilities	48 537	1 560	534 606	19 310
Total shareholders' equity and liabilities	19 998	100	220 266	1 238

Applied exchange rates

The financial reports for each of the subsidiaries within the Group are produced with different reporting currencies than SEK. The financial information is presented in both the original currencies (EUR, AUD, HKD and GBP) and SEK. The financial information has been converted to SEK from its original currency (e.g. EUR/SEK). The exchange rates that were used for conversion of the balance sheets are the closing rates of each currency in relation to SEK on the final day of each period. The exchange rates used for conversion of the income statements are the average for each respective period. The exchange rates have been sourced from the Swedish Riksbank (Sw. Sveriges Riksbank). The information that has been converted to SEK has not been audited.

SEK per unit	Period						
	2017-07-01 - 2017-12-31	2017-01-01 - 2017-12-31	2016-07-01 - 2017-06-30	2015-07-01 - 2016-06-30	2016-01-01 - 2016-12-31	2016-01-01 - 2017-06-30	2015-01-01 - 2015-12-31
EUR	9.67		9.62	9.33			
HKD	1.05	1.10			1.10		
GBP	10.84					11.18	12.89
AUD	6.41		6.65	6.13			

SEK per unit	Balance day				
	2017-12-31	2017-06-30	2016-12-31	2016-06-30	2015-12-31
EUR	9.85	9.67		9.42	
HKD	1.05		1.17		
GBP	11.10	11.01			12.38
AUD	6.42	6.50		6.28	

DEFINITIONS

“AUD”	Refers to Australian dollar
“BCCS”	Building and construction collaboration services
“BCG”	The Boston Consulting Group
“BIM”	Building information modelling
“BMS”	Building management systems
The “Board”	Board of Directors in Zutech Holding AB (publ)
“Cornerstone investors”	Investors undertaken to subscribe for shares in the Offering
“ECM”	Enterprise resource planning
“EUR”	Refers to Euro
“Euroclear Sweden”	Euroclear Sweden AB (corporate registration number 556112-8074)
“First North”	The multilateral trading facility Nasdaq First North
“GBP”	Refers to British Pounds
“Hagberg & Aneborn”	Hagberg & Aneborn Fondkommission AB (corporate registration number 559071-6675)
“HKD”	Refers to Hong Kong dollar
“IFRS”	International Financial Reporting Standards
“IoT”	Internet of things
“Listing”	The planned listing of the Company's shares on First North
“Materially negative events”	Such materially negative events which may cause withdrawal of the Offering
“MAQS”	MAQS Advokatbyrå Stockholm AB (corporate registration number 586950-7659)
“Nasdaq”	Nasdaq Stockholm AB (corporate registration number 556420-8394)
“Offering”	The offer to subscribe for shares in the Company in conjunction with the Listing
“Oversubscription Issue”	The additional issue of shares that may be conducted, in accordance with an agreement between the Company and Remium, if the Offering is oversubscribed
“Prospectus”	This prospectus which has been prepared in relation to the Offering
“Remium”	Remium Nordic Holding AB (corporate registration number 556611-4905) and its subsidiary Remium Nordic AB (corporate registration number 556101-9174)
“SaaS”	Software as a Service
“Securities Act”	The United States Securities Act 1933
“Sticky”	Description of a product which customers not likely would want to stop using
“SEK”	Refers to Swedish Krona
The “Code”	The Swedish Corporate Governance Code
The “Group”	Zutech Holding AB (publ), together with directly or indirectly owned subsidiaries
“Zutech” and the “Company”	Zutech Holding AB (publ) (corporate registration number 559136-0317), or, depending on the context, the group in which Zutech Holding AB (publ) is the parent company
“USD”	Refers to American dollar

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