

MapsPeople announces offering of new shares with pre-emptive rights for existing shareholders

MapsPeople A/S | Inside information

Nasdaq First North Growth Market Denmark

Company Announcement No. 19-2023

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This message contains inside information

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Announcement regarding offering of new shares with pre-emptive rights

The board of directors of MapsPeople A/S ("**MapsPeople**" or the "**Company**") has today resolved to increase the share capital of MapsPeople with up to a nominal amount of DKK 244,415.38 corresponding to 12,220,769 new shares with a nominal value of DKK 0.02 each (the "**Offer**" or "**Rights Issue**"). The offer will be structured as a rights issue, meaning that the Offer of new shares (the "**New Shares**") will be a public offer with pre-emptive rights (the "**Pre-emptive Rights**") for the existing shareholders (the "**Existing Shareholders**") for a subscription price of DKK 2.80 per 1 New Share (the "**Subscription Price**").

The Offer has been partly secured through irrevocable subscription undertakings from Existing Shareholders and guarantee commitments from certain investors to subscribe for approximately 75.3% of the total Offer, and will result in MapsPeople receiving at least approximately gross proceeds of DKK 25.8 million. Full subscription of the Offer will result in MapsPeople receiving approximately gross proceeds of DKK 34.2 million.

MapsPeople's world-leading indoor map solution software

Since the Company's formation in 1997, MapsPeople has developed a world-leading indoor mapping solution software, MapsIndoor, that some of the world's most well-known global brands use, including several blue chip companies from various industries.

MapsIndoors enables customers and app developers to directly integrate indoor maps into any mobile app, website or venue. It uses multiple virtual layers to ensure a seamless user experience within multiple locations such as offices, stadiums, hospitals, conferences, shopping malls, airports and universities. MapsPeople continues to add new integrations to its solution allowing users to integrate and customize the solution, and may include for example search functions, booking integration, occupancy, asset tracking or "find an employee".

MapsPeople is partnered with Google Maps and is the industry leader in automatic map generation. MapBox has also chosen MapsPeople as its preferred partner for Indoor Mapping. MapsPeople has implemented machine learning and AI to strengthen its competitive positioning.

MapsPeople's key markets and financial outlook

The global indoor location services market consists of asset tracking, people tracking, location analysis, 2D mapping, 3D mapping and wayfinding. MapsPeople's solution and its integrations cover all these areas. A report from Gartner® (summary published 16 June 2021 and available on www.gartner.com) forecasts that the indoor location services market will grow to USD 55 billion in 2030, constituting a CAGR of 45% from 2021 until 2030.

MapsPeople's key markets continue to be Europe and North America. MapsPeople has already achieved a global presence with customers in more than 52 countries and offices in Denmark, Germany, USA and Singapore to ensure local availability in key markets.

The Maps-in-Minutes solution makes onboarding of new customers less costly and daily updates more efficient. It serves as a competitive differentiator, strengthening MapsPeople's position in the market.

MapsPeople has as of May 2023 achieved an ARR of DKK 48 million and informed of the following guidance for 2023:

- ARR outlook mDKK 77 - 87 corresponding to a growth rate of 129-159%
- Revenue outlook mDKK 38 - 45 corresponding to a growth rate of 31-55%
- EBITDA outlook negative mDKK 52 - 62

For further information about the Company's latest guidance, reference is made to company announcement no. 15-2023, in which the Company also informed of the funding situation and the expectation to carry out a capital increase to, amongst others, finance its operations until profitability is achieved. In addition, reference is made to company announcement no. 17-2023 containing the Company's Q1 financial report.

Key terms of the Offer

- The Company's share capital will be increased by a nominal amount of up to DKK 244,415.38.
- Up to 12,220,769 New Shares of DKK 0.02 will be issued and subscribed for at a price of DKK 2.80 per 1 New Share, equal to a total subscription amount of up to DKK 34,218,153.2.
- The New Shares will be with Pre-emptive Rights for the Existing Shareholders in the ratio 5:1, meaning 5 Pre-emptive Rights are required to subscribe for 1 New Share and that Existing Shareholders will be given 1 Pre-emptive Right for each 1 of the existing shares the respective Existing Shareholder holds at the time of allocation being 7 June 2023 at 5:59 p.m. CEST (the "**Allocation Date**").
- The New Shares may be subscribed for as of 8 June 2023 at 9:00 a.m. CEST and until 21 June 2023 at 5:00 p.m. CEST (the "**Subscription Period**").
- New Shares that have not been subscribed for by Existing Shareholders or acquirers of Pre-emptive Rights before the expiry of the Subscription Period (the "**Remaining Shares**") may, without compensation to the holders of unexercised Pre-emptive Rights, be subscribed for by Existing Shareholders or new investors, who have acquired Pre-emptive Rights, who, before the expiry of the Subscription Period, have undertaken to subscribe for Remaining Shares pursuant to binding subscription commitment or the subscription form on the Company's website.
- The Company's share capital before the Offer amounts to a nominal value of DKK 1,222,076.96. In case of full subscription of the Offer, the share capital will increase to a nominal value of DKK 1,466,492.34 and result in gross proceeds of approximately DKK 34,2 million.
- Registration expenses and other expenses relating to the capital increase to be paid by the company are estimated at DKK 4.1 million excluding VAT.

Background for the Offer and the application of the gross results of the Offer

Full subscription of the Offer will result in gross proceeds of DKK 34.2 million, corresponding to net proceeds of approximately DKK 30.1 million after deduction of estimated costs of DKK 4.1 million.

The Capital raised will be used to strengthen the Company's capital structure and, as described in company announcement no. 15-2023, to finance operations through 2024 until profitability as well as to finance the transformation from Framework Orderbook to high ARR growth in 2023. However, it should be noted that despite it being the current expectation of the Company that with execution of this Offer the Company will have fully financed its operations through 2024 until profitability, it may not be the case, if underlying assumptions change or unexpected or unforeseen situations arise.

If the Offer is fully subscribed MapsPeople intends to use the raised proceeds in the following split:

- MapsPeople intends to use approximately 50% of the proceeds to attract and convert existing partners into a traditional PaaS (Platform-as-a-Service) contract model. The Company expects to convert their current contracted, but not yet utilized and invoiced partner agreements of DKK 30 million, into this new business model within the next 18 months. The benefits for the business will be faster order to invoice and revenue recognition and higher predictability on the growth going forward.
- MapsPeople intends to invest approximately 30% of the proceeds to continue building their "Maps-in-Minutes" product – creating the most cost-efficient platform in the market that drives stickiness and differentiation to their partners.
- MapsPeople intends to invest the remaining approximately 20% in a Marketplace initiative. MapsPeople intends to in the coming two years test a marketplace-based go-to-market model for the MapsIndoor product suite, where multiple of their partners can utilize a single map – creating one map for all the Smart Building user cases. Before scaling up on the Marketplace model, MapsPeople has a fast method to test the model through the recent acquisition of Point Inside Inc. This involves reselling many of the product offerings that Point Inside offers to current customers and offering MapsPeoplesolutions to Points Inside customers and prospects.

If the Offer is not fully subscribed the Company may need to deviate from the indicated split above.

Advance subscription undertakings and guarantee commitments

The following Existing Shareholders have entered into irrevocable subscription undertakings to exercise part or all of their Pre-emptive Rights to subscribe for New Shares:

Investor	No. of New Shares	Gross proceeds (DKK)	Association with MapsPeople
Danmarks Eksport- og Investeringsfond ("EIFO")	1,785,714	5,000,000.00	Existing shareholder
Kapitalforeningen BankInvest Select (Small Cap Danske Aktier)	1,061,438	2,972,026.40	Existing shareholder
Total	2,847,152	7,972,026.40	n/a

The commitment from EIFO has been provided on the condition that other investors including any guarantors subscribe for at least DKK 10 million in the Rights Issue in addition to the commitment obtained from EIFO. This condition has been satisfied with the guarantee commitments received from the Guarantors.

The Company has received guarantee commitments to subscribe for a number of the Remaining Shares not subscribed for through the exercise of Pre-emptive Rights prior to the expiry of the Subscription Period from the following investors (the "Guarantors"):

Investor	No. of New Shares	Gross proceeds (DKK)	Association with MapsPeople
Bladt Invest ApS	6,000,000	16,800,000	None
Morten Brøgger	178,571	499,998.80	CEO
Computerware ApS*	178,571	499,998.80	Chairman of the Board*
Total	6,357,142	17,799,997.60	n/a

* Wholly owned by Lars Henning Brammer, chairman of the Board.

The Guarantors have undertaken to subscribe for the Guarantor's part of the Remaining Shares promptly following the expiry of the Subscription Period. Payment for the Guarantor's Remaining Shares will be made in accordance with the general terms and conditions set out in this company announcement.

The guarantee commitment from Bladt Invest ApS is entered into for a fee payable by the Company of DKK 1,680,000 (ex VAT) and on the condition that the Rights Issue is launched such that the first day of trading in the New Shares occurs no later than on 14 July 2023.

The other guarantee commitments are entered into free of charge and unconditionally.

Subscription Price

The Subscription Price for one (1) New Share of a nominal amount of DKK 0.02 is DKK 2.80. The Subscription Price corresponds to a discount of 21.14% compared to the market price of DKK 3.55, calculated as the average closing price 15 trading days prior to and including on 30 May 2023.

Allocation of Pre-emptive Rights

The New Shares may be subscribed for by holders of Pre-emptive Rights in the ratio of 1:5, meaning five (5) Pre-emptive Rights are required to subscribe for one (1) New Share. Existing Shareholders are allocated one (1) Pre-emptive Right for each one (1) existing share in MapsPeople that the respective Existing Shareholders hold in the account at VP Securities A/S (Euronext Securities) at the Allocation Date which is on 7 June 2023 at 5:59 p.m. CEST. Five (5) Pre-emptive Rights are required to subscribe for (1) New Share.

MapsPeople's management owns, directly and indirectly, the following shareholdings prior to the Offer:

Name	Position	No. of shares
Jens Morten Brøgger	CEO	53,914
Lars Henning Brammer	Chairman of the board	3,505,194
Jacob Arup Bratting Pedersen	Board member	0*
Rasmus Mencke	Board member	36,765
Christian Samsø Dohn	Board member	3,535,416
Michael Gram	Board member	11,302,235

*Jacob Arup Bratting Pedersen is representing the interests of Denmark's Export and Investment Fund in the board of directors of the Company. Denmark's Export and Investment Fund owns 14,140,932 shares in the Company.

Trading of Pre-emptive Rights

The Pre-emptive Rights will be admitted to trading on Nasdaq First North Growth Market Denmark under the ISIN code DK0062496121. The trading period for the Pre-emptive Rights commences on 6 June 2023 at 9:00 a.m. CEST and will close on 19 June 2023 at 5:00 p.m. CEST.

Any Pre-emptive Rights not exercised upon expiry of the Subscription Period will lapse without value, and the holders of lapsed Pre-emptive Rights will not be entitled to any compensation.

Subscription Period

The Subscription Period for New Shares by exercising Pre-emptive Rights commences on 8 June 2023 at 9:00 a.m. CEST and will close on 21 June 2023 at 5:00 p.m. CEST.

Subscription of Remaining Shares

Remaining Shares may, without compensation to the holders of unexercised Pre-emptive Rights, be subscribed for by either Existing Shareholders or new investors who have acquired Pre-emptive Rights, who, before the expiry of the Subscription Period, have undertaken binding commitments to subscribe for Remaining Shares pursuant to binding subscription commitment or the subscription form on the Company's website.

In the event of oversubscription of the Remaining Shares pursuant to binding subscription commitment or the subscription form, the Company's board of directors will allocate the Remaining Shares according to proportion keys determined by the board of directors giving priority to firstly Existing Shareholders, secondly to new investors who have acquired Pre-emptive Rights, and thirdly to the Guarantors, if Remaining Shares are still available.

If the subscription orders for Remaining Shares including guarantee commitments do not exceed the number of Remaining Shares, the Company will issue the number of Remaining Shares subscribed for.

The Company cannot guarantee that Existing Shareholders, or new investors who have acquired Pre-emptive Rights, and who wish to subscribe for Remaining Shares, will be allocated any Remaining Shares, as Remaining Shares will only be available for allocation if the New Shares have not been subscribed for by the Existing Shareholders through the exercise of allocated Pre-emptive Rights or by new investors through the exercise of acquired Pre-emptive Rights.

Subscription via the subscription form

The subscription form is to be submitted to the investor's own custodian bank within the Subscription Period. For an order to subscribe to be binding, the subscription form must be submitted to such investor's own custodian bank in due time for them to process and deliver the order, so that the order has been received by Danske Bank A/S no later than on 21 June 2023 at 5:00 p.m. (CEST). It is solely the investor's responsibility that their orders are received in due time by Danske Bank A/S.

Payment and settlement of New Shares

Upon exercise of the Pre-emptive Rights, the holder must pay DKK 2.80 (the Subscription Price) per New Share of a nominal value of DKK 0.02.

Payment for New Shares must be made by cash contribution in DKK at the time of subscription upon exercise of the Pre-emptive Rights. After payment for the subscribed New Shares at the Subscription Price, investors will receive electronic delivery of the New Shares in the form of interim shares in the investor's account at VP Securities A/S (Euronext Securities) under the interim ISIN code DK0062496204. The interim ISIN code will not be admitted to trading on Nasdaq First North Growth Market Denmark.

The New Shares will, when fully paid up and registered with the Danish Business Authority, have the same rights as and rank pari passu with the Existing Shares, including with respect to eligibility for any dividends after the completion of the Offering. The New Shares will be negotiable instruments. No shareholder of the New Shares will be obliged to have the New Shares redeemed fully or partially by the Company or a third party and no transfer restrictions will apply to the New Shares.

The New Shares will be finally issued after registration of the capital increase with the Danish Business Authority, expectedly on 27 June 2023.

Holders of Pre-emptive Rights must comply with the terms and conditions of their Danish custodian banks or other financial intermediaries through which they hold shares. Financial intermediaries through which a holder holds Pre-emptive Rights may require payment on an earlier date.

Unless otherwise agreed, the custodian bank will send a notice to the owner of the account stating the number of New Shares subscribed for and the amount.

Notification of any allocation of Remaining Shares will be made on 23 June 2023. Remaining Shares will be allocated and delivered to the investor's account in VP Securities A/S (Euronext Securities) against simultaneous payment of the Subscription Price, expectedly on 27 June 2023. Delivery of Remaining Shares to the investor's account in VP Securities A/S (Euronext Securities) will be made in the interim ISIN code DK0062496204.

Admission to trading

The trading period for the Pre-emptive Rights will commence on 6 June 2023 at 9:00 a.m. CEST. The New Shares will not be admitted to trading on Nasdaq First North Growth Market Denmark under the temporary ISIN code.

Following registration of the capital increase with the Danish Business Authority, expectedly on 27 June 2023, the temporary ISIN code will be merged with the existing ISIN code for the Company's existing shares, ISIN DK0061549052 in VP Securities A/S (Euronext Securities). The merger is expected to be completed on 30 June 2023.

The New Shares are expected to be admitted to trading and official listing on Nasdaq First North Growth Market Denmark under the ISIN code for existing shares on 29 June 2023.

Withdrawal of the Offer

The Offer is subject to no events occurring prior to registration of the capital increase with the Danish Business Authority which, in the opinion of the Company's board of directors, would make the completion of the Offer inadvisable. The Company's board of directors thus also reserves the right to withdraw the Offer if the board of directors finds that there is a discrepancy between the current market price and the Subscription Price. If such events occur, the Offer will be withdrawn. If the Offer is not completed, none of the submitted subscriptions for New Shares will be accepted and no new shares will be issued.

However, trades with New Shares made prior to the withdrawal will not be affected. The Subscription Price for New Shares will be refunded (less any transaction costs to the custodian bank) to the last registered owner of the New Shares at the time of withdrawal. This means that investors who have subscribed for New Shares may incur a loss corresponding to the difference between the purchase price and the Subscription Price for the New Shares plus any transaction costs.

If the Offer is not completed, all exercises of Pre-emptive Rights will automatically be cancelled and the Subscription Price (less any transaction costs to own custodian bank) will be refunded to the last registered owner of the New Shares at the time of withdrawal. However, trades in Pre-emptive Rights prior to the withdrawal will not be affected. This means that investors who have acquired Pre-emptive Rights will suffer a loss corresponding to the purchase price of the Pre-emptive Rights plus any transaction costs.

Trading in Pre-emptive Rights and/or the New Shares prior to the completion of the Offer is made at own account and risk.

Any withdrawal of the Offer will, if applicable, be announced immediately via Nasdaq First North Growth Market Denmark.

Withdrawal of applications of subscription

Instructions to exercise Pre-emptive Rights related to the New Shares are irrevocable, except in the event of any material changes in connection with the information in the company announcement announcing the Offering which may affect the evaluation of the Pre-emptive Rights, the New Shares or the Existing Shares, which occurs or is ascertained between the time of the publication of said company announcement and the final completion of the Offering (closing of the offer period) or the delivery of the Shares, whichever occurs first. In such case, the Company will publish a supplementing company announcement. Such period may be extended by the Company and will be stated in the relevant supplement. Investors who have accepted to exercise Pre-emptive Rights prior to publication of the supplementing company announcement will be entitled to withdraw their acceptance for two trading days after the publication of such supplement.

The procedure regarding the withdrawal of the subscriptions will be announced together with the relevant supplement.

Right to dividends

The New Shares confer the holders right to dividends as at the time of registration of the capital increase of the New Shares with the Danish Business Authority. However, the Company's board of directors does not expect that dividends will be distributed for the financial year 2023.

Expected timetable

31 May 2023	Publication of company announcement regarding the Offer
2 June 2023 at 5:00 p.m. (CEST)	Last day of trading in Existing Shares including Pre-emptive Rights
6 June 2023 at 9:00 a.m. (CEST)	First day of trading in Existing Shares without Pre-emptive Rights
6 June 2023 at 9:00 a.m. (CEST)	Trading period for Pre-emptive Rights commences
7 June 2023 at 5:59 p.m. (CEST)	Allocation time of Pre-emptive Rights
8 June 2023 at 9:00 a.m. (CEST)	Subscription Period for New Shares commences
19 June 2023 at 5:00 p.m. (CEST)	Trading period for Pre-emptive Rights closes
21 June 2023 at 5:00 p.m. (CEST)	Subscription Period for New Shares closes
23 June 2023	Expected publication of the results of the Offer
23 June 2023	Allocation of the Remaining Shares
27 June 2023	Registration of the capital increase with the Danish Business Authority
27 June 2023	Expected completion of the Offer and the issue of New Shares
29 June 2023	Admittance to trading of the New Shares under the existing ISIN code
30 June 2023	Expected merger of the interim and existing ISIN codes for the New Shares

Settlement agent and share issuing agent

Danske Bank Issuer Services acts as settlement agent for the Offer of New Shares. Any questions from Existing Shareholders or investors related to the Offer should be directed to such Existing Shareholder's or investor's own custodian bank or nominee.

If the custodian bank's have questions related to the Offer, any questions may, on business days between 9:00 a.m. CEST and 4:00 p.m CEST, be directed to:

Danske Bank Issuer Services
Holmens Kanal 2-12
DK-1092 Copenhagen K
Denmark

MapsPeople's share issuing agent is:

Danske Bank A/S
Holmens Kanal 2-12
DK-1092 Copenhagen K
Denmark

Additional information

MapsPeople A/S (CVR no. 84059528, LEI no. 984500A666BF26E47561) is headquartered in Municipality of Aalborg and the Company's headquarters are located on the address Stigsborgvej 60, DK-9400 Nørresundby, Denmark. Mobile: (+45) 70 13 02 12, mapspeople.com.

Corporate matters

The Company's share capital is fully paid-up. The Company is registered with the Danish Business Authority with CVR no. 84059528 and governed by Danish laws.

The board of directors

Lars Henning Brammer (chairman)
Jacob Arup Bratting Pedersen
Rasmus Mencke
Christian Samsø Dohn
Michael Gram

The executive management

Jens Morten Brøgger (CEO)

Certified Adviser

Grant Thornton

Important notice

This announcement is for the information of the Company's shareholders and does not constitute an offer or invitation to subscribe for or purchase pre-emptive rights or shares in the Company. There is no public offer of shares outside Denmark. Persons outside Denmark who come into possession of information about the Offer are advised by the Company to inform themselves about and observe any restrictions and should inform themselves about the legislation, including tax consequences, that may be relevant to them prior to investing in shares issued by MapsPeople A/S

This announcement contains certain forward-looking statements, including statements about the Company's operations. Such forward-looking statements are based on information, assumptions and estimates that the Company believes are reasonable. These forward-looking statements involve known and unknown risks, uncertainties and other important factors that may cause the Company's actual results, performance or achievements or industry performance to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. If one or more of these risks or uncertainties materialize, or if an underlying assumption proves incorrect, the Company's actual financial position or results of operations could differ materially from those described as assumed, evaluated, estimated or expected.

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