

Press release

Date: April 27, 2021

Communique from the Annual General Meeting of I.A.R. Systems Group (publ) on April 27, 2021

Stockholm, Sweden—April 27, 2021— Due to Covid-19 and in an effort to reduce the spread of infection, the Board of Directors decided that the Annual General Meeting (AGM) was to be held without the physical presence of shareholders, proxies or outside parties. Shareholders were able to exercise their voting rights through advance voting (postal voting). A speech by CEO Stefan Skarin, during which he comments on the company's operations in the 2020 financial year, has been published (in Swedish) on the company's website, www.iar.com/investerare.

The AGM of I.A.R. Systems Group AB on April 27, 2021, passed the following key resolutions:

Dividend

In accordance with the Board's proposal, the AGM resolved that no dividend be paid.

Election of Board members and Board Chairman and determination of Board fees

The AGM re-elected sitting Board members Michael Ingelög, Richard Lind, Kent Sander and Fred Wikström. Nicolas Hassbjer and Cecilia Wachtmeister were elected as new Board members. The AGM elected Nicolas Hassbjer as Board Chairman. It was furthermore resolved that Board fees would be paid in an annual amount of SEK 450,000 to the Board Chairman and SEK 180,000 to each of the other Board members.

Election of auditors

The AGM re-elected the auditing firm Deloitte AB with Authorized Public Accountant Andreas Frountzos as Auditor in Charge.

Nominating committee

The AGM resolved to appoint a nominating committee according to the following principles. Not later than September 30, 2021, the Board Chairman is to convene a meeting of the four largest shareholders or known shareholder groups in the company in terms of voting power, which in turn are entitled to appoint at least four members to the nominating committee, one from each of the largest shareholders or shareholder groups in terms of voting power. If any of the four largest shareholders or known shareholder

groups waives the right to appoint a member to the nominating committee, the next-largest shareholder or known shareholder group is to be given the opportunity to appoint a member to the nominating committee. In addition, the Chairman of the Board may be co-opted to the nominating committee. The composition of the nominating committee is to be made public not later than six months prior to the 2022 AGM.

Changed principles for remuneration of senior executives

The AGM resolved to approve a change to the guidelines for remuneration to senior executives that were adopted by the 2020 AGM and that the item “Pension and other benefits” should be worded as follows: “The CEO is covered by a pension plan corresponding to the cost of the ITP plan, but with a retirement age of 62, which raises the premium compared with a retirement age of 65. Other employees are covered by a pension plan corresponding to the cost of the ITP plan. Other benefits may include, for example, health insurance, phone benefits, meal benefits and company car and shall be provided to the extent this is considered to be in line with market conditions.”

Remuneration report

The AGM resolved to approve the Board’s remuneration report in accordance with Chapter 8, Section 53a of the Swedish Companies Act.

Authorizations

The Board of Directors was authorized, on one or several occasions during the period until the next AGM, to decide on the issue of new shares and/or convertibles entailing the issue of, or conversion to, a maximum total of 1,550,000 class B shares, corresponding to a dilution effect of approximately 10.0% of the share capital and about 9.4% of the number of votes based on the current number of shares in the company.

The Board of Directors was also authorized, on one or several occasions during the period until the next AGM, to decide on the repurchase of a maximum number of class B shares whereby the holding of treasury shares at no time exceeds 10% of all registered shares in the company. The shares are to be acquired on Nasdaq Stockholm at a price that is within the registered price interval at any given time. The motive for the authorization is to give the Board greater freedom of action in optimizing the company’s capital structure. The Board of Directors was furthermore authorized to decide on the sale of the company’s treasury shares in exchange for cash payment, disapplying the shareholders’ preemptive rights, or as payment for the acquisition of a company or operation.

Stockholm, April 27, 2021

Board of Directors

I.A.R. Systems Group AB (publ)

About IAR Systems

IAR Systems was founded in 1983 and is one of the world's leading providers of software for programming of processors in embedded systems. Its software is used by more than 46,000 customers worldwide to program processors used to control products in such areas as industrial automation, medical technology, consumer electronics and the automotive industry.

IAR Systems brings value to organizations that develop embedded systems. We supply the tools and services that make embedded systems development fast, efficient and reliable. This enables our customers across the world to deliver better products to their markets more quickly.

I.A.R. Systems Group AB is listed on NASDAQ OMX under the ticker symbol IAR.

Ends

Editor's Note: IAR Systems, IAR Embedded Workbench, Embedded Trust, C-Trust, C-SPY, C-RUN, C-STAT, IAR Visual State, IAR KickStart Kit, I-jet, I-jet Trace, I-scope, IAR Academy, IAR, and the logotype of IAR Systems are trademarks or registered trademarks owned by IAR Systems AB. All other product names are trademarks of their respective owners.

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About IAR Systems

IAR Systems supplies future-proof software tools and services for embedded development, enabling companies worldwide to create the products of today and the innovations of tomorrow. Since 1983, IAR Systems' solutions have ensured quality, reliability and efficiency in the development of over one million embedded applications. The company is headquartered in Uppsala, Sweden and has sales and support offices all over the world. Since 2018, Secure Thingz, a provider of advanced security solutions for embedded systems in the IoT, is part of IAR Systems. IAR Systems Group AB is listed on NASDAQ OMX Stockholm, Mid Cap. Learn more at www.iar.com.