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Vitec has carried out a directed new share issue of 2,500,000 class B shares, raising proceeds of SEK 197.5 million

Vitec Software Group AB (publ) ("Vitec" or the "Company") has, based on the authorization granted by the annual general meeting on 23 April 2018, resolved to carry out a directed new share issue of 2,500,000 class B shares at a subscription price of SEK 79 per share. The subscription price has been established by the Company's board of directors, in collaboration with Handelsbanken Capital Markets, based on the considered interest to invest shown by institutional investors.

Subscribers in the directed new share issue are the institutional investors Cliens Kapitalförvaltning AB, Creades AB¹, Didner & Gerge Fonder AB, Grenspecialisten Förvaltning AB, Handelsbanken Fonder AB and OstVast Capital. The Company will receive proceeds of SEK 197.5 million before transaction cost for the directed new share issue.

The reason for the deviation from the shareholders' preferential rights is to diversify the shareholder base among institutional investors and at the same time carry out the capital raising in a time and cost-effective manner. The Company intends to use the proceeds from the directed new share issue to finance acquisitions of companies, product rights, or other objects that complement the business, and enable a higher investment pace in the development of the Company. The board of directors' assessment is that the subscription price has been determined in accordance with market practice through contacts with institutional investors and the considered interest to invest.

As a result of the directed new share issue, the number of shares in the Company will increase with 2,500,000 from 29,838,900 to 32,338,900 and the number of votes will increase with 2,500,000 from 59,988,900 to 62,488,900 (divided between 3,350,000 class A shares and 28,988,900 class B shares). The share capital will increase with SEK 250,000 from SEK 2,983,890 to SEK 3,233,890. The directed new share issue entails a dilution effect for existing shareholders of approximately 7.7 percent of the number of shares and approximately 4.0 percent of the number of votes based on the total number of shares and votes in Vitec after the directed new share issue.

¹ Via capital insurance.

In connection with the directed new share issue, the Company has agreed with Handelsbanken Capital Markets not to issue additional shares during a period of 180 days, a so-called "standstill period". Certain customary exemptions apply after consultation with Handelsbanken Capital Markets. In addition, Lars Stenlund (CEO) has agreed not to sell his shareholding during a lock-up period of 180 days.

Handelsbanken Capital Markets has been appointed as Sole Lead Manager and Bookrunner and Baker McKenzie acts as legal advisor in the directed new share issue.

For more information, please contact

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Disclaimer

This information is such information that Vitec Software Group AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication under the auspices of the above stated contact persons on 29 November 2018 at 19:40 CET.

About Vitec

Vitec is market leader for Vertical Market Software in the Nordic region. We develop and deliver standard niche software. Vitec grows through acquisitions of well-managed and well-established software companies. The Group's overall processes together with the employees' in-depth knowledge of the customer's local market enables continuous improvement and innovation. Our 650 employees are based in Denmark, Finland, Norway and Sweden. Vitec is listed on Nasdaq Stockholm and had net sales of SEK 855 million in 2017. Find more at www.vitecsoftware.com.

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Any investment decision in connection with the Directed new share issue must be made on the basis of all publicly available information relating to the Company and the Company's shares. Such information has not been independently verified by Handelsbanken Capital Markets. The information contained in this announcement is for background purposes only and does not purport to be full or complete. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy or completeness.

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This press release is not a prospectus for the purposes of Directive 2003/71/EC (the "Prospectus Directive") and has not been approved by any regulatory authority in any jurisdiction. Vitec has not authorized any offer to the public of shares or rights in any member state of the EEA and no prospectus has been or will be prepared in connection with the Directed new share issue. In any EEA Member State, this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of the Prospectus Directive.

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Forward-looking statements

This press release contains forward-looking statements that reflect the Company's intentions, beliefs, or current expectations about and targets for the Company's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company operates. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe", "expect", "anticipate", "intend", "may", "plan", "estimate", "will", "should", "could", "aim" or "might", or, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors and readers of this press release should not place undue reliance on the forward-looking statements in this press release. The information, opinions and forward-looking statements that are expressly or implicitly contained herein speak only as of its date and are subject to change without notice. Neither the Company nor anyone else undertake to review, update, confirm or to release publicly any revisions to any forward-looking

statements to reflect events that occur or circumstances that arise in relation to the content of this press release.

Information to distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (“MiFID II”); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the “MiFID II Product Governance Requirements”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the class B shares in Vitec have been subject to a product approval process, which has determined that such shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the “Target Market Assessment”). Notwithstanding the Target Market Assessment, Distributors should note that: the price of the class B shares in Vitec may decline and investors could lose all or part of their investment; the class B shares in Vitec offer no guaranteed income and no capital protection; and an investment in the class B shares in Vitec is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Directed new share issue.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the class B shares in Vitec.

Each distributor is responsible for undertaking its own target market assessment in respect of the class B shares in Vitec and determining appropriate distribution channels.