

Press Release

19 July 2018

Invuo plans to seek mandate for further funding and intends to convene an EGM

To create a healthy financial flexibility, for short-term stability as well as for supporting long term-growth, the Board considers that Invuo Technologies AB (publ) (“Invuo” or the “Company”) needs new funding in the range of SEK 40 million. Such funding should bring the Company in a position similar to what was expected through the non-executed AJ Group Holdings Ltd (“AJ Group”) transaction, and also be sufficient for the Company becoming cash flow positive. Hence, the Board intends to call for an EGM in Q3 2018 to seek the shareholders’ mandate to raise new funds in the range of SEK 40 million. At the same EGM, it is expected that the nomination committee will propose additional board members.

The failure of AJ Group to deliver committed funds according to the undertaking signed in March 2018 (representing a total investment value of SEK 52 million, pre-expenses) has caused serious uncertainty and distress for Invuo’s shareholders, clients and employees. By the sale of certain financial assets in May 2018, raising SEK 17.5 million, the Company managed to stabilise its financial situation.

As previously announced, Invuo expects to internally fund operations until year-end 2018. These expectations are however based on an acceleration of MeaWallet signed orders and that e-Products moves into sustainable profit. As stated in the Company’s Q2 report, eProducts has for the first time made profit and Invuo is optimistic that eProducts is now moving into sustainable profit. As for MeaWallet, Invuo have seen unexpected challenging market conditions. Even if Invuo still believes that MeaWallet will show acceleration in signed orders, adequate measures should be taken to handle a situation where the value of signed orders and associated cash contributions do not meet Invuo’s expectations.

To create a healthy financial flexibility, for short-term stability as well as for supporting long term-growth, the Board believes that the Company needs new funding in the range of SEK 40 million. Such funding should bring the Company in a position similar to what was expected through the non-executed AJ Group transaction, and also be sufficient for the Company becoming cashflow positive. Hence, the Board intends to call for an EGM to seek the shareholders’ mandate to raise new funds in the range of SEK 40 million.

Board adjustments

Due to resignations since the AGM 2018, the Board currently consists of 3 board members. According to the Company’s articles of association (“AoA”), the Board shall consist of 4-8 board members. It is expected that that nomination committee will propose additional board members in the notice to an EGM to accomplish a Board composition that meet the requirements of the AoA and the Company’s current phase of expansion.

The Board expects a notice to an EGM to be sent out in in Q3 2018.

For further information, please contact:

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This information is such that Invuo Technologies AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. This information was submitted for publication, through the agency of the contact person set out above, at 08:50 on July 19, 2018.

About Invuo

Since 2001 Invuo has been providing its proprietary solutions and systems for mobile phone transactions. Invuo operates in two main business areas; mobile phone payment solutions provided through the brand MeaWallet™, and distribution of e-products. www.invuo.com