



**IRISITY**

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Press release 13 November 2019, 22:30 (CET)

## The board of directors of Irisity has resolved upon a new share issue of SEK 35 million subject to approval from an extraordinary general meeting

The board of directors of Irisity AB (publ) ("Irisity" or the "Company") has, in accordance with what the Company indicated in a press release earlier today, resolved, with deviation from the shareholders preferential right, upon a new issue of 4,094,000 new shares (the "New Share Issue"), subject to approval by an extraordinary general meeting.

The New Share Issue was over-subscribed with large interest from Swedish and international institutional investors. The investors have been selected based on an accelerated book building which has been carried out by the Company's financial advisor Pareto Securities AB ("Pareto Securities"). The New Share Issue and subscription are subject to approval by an extraordinary general meeting expected to be held 16 December 2019 (the "EGM"). The notice to the EGM will be published separately today. Irisity has received a voting undertaking from larger shareholders representing approximately 7.6 million shares corresponding to approximately 40 percent of the outstanding capital and votes to vote in favour of the New Share Issue at the EGM.

The subscription price in the New Share Issue is set to SEK 8.55 and has been determined through an accelerated bookbuilding procedure carried out by Pareto Securities. Through the New Share Issue, Irisity will raise SEK 35 million before transaction costs. The subscription price in the New Share Issue entails a discount of approximately 7.1 percent compared to Irisity's last closing price on Nasdaq First North Growth Market as of 13 November 2019.

Through the New Share Issue, the number of outstanding shares and votes will increase by 4,094,000 from 19,069,351 shares and votes to 23,163,351 shares and votes. The New Share Issue entails a dilution of approximately 17.7 percent of the number of shares and votes in the Company. Subscription of the new shares has been made today and payment of the new shares shall occur no later than 19 December 2019. The board of directors of Irisity retains the right to extend the subscription period and payment period at its discretion.

### Background and rationale

Irisity is in a phase of expansion and the New Share Issue is intended to strengthen the Company's financial stability and will be used to grow the organization within research and development, marketing, and service. The proceeds from the New Share Issue is expected to

be sufficient to make the Company cash flow positive given its current business plan.

The reason for the deviation from the shareholders' preferential rights are mainly to diversify the shareholder base in the Company across Swedish and international institutional investors and simultaneously take advantage of the opportunity to raise capital in a time- and cost-efficient manner.

Given that the New Share Issue is completed, the Board and management members holding shares and/or warrants have undertaken not to sell any shares in Irisity for a period of 90 calendar days after the announcement of the outcome of the New Share Issue, with customary exceptions.

#### Advisers

Pareto Securities is acting Sole Manager and Bookrunner and Advokatfirman Vinge is legal adviser to the Company in connection with the New Share Issue.

#### For additional information, please contact:

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#### About Irisity

Irisity AB (publ) is a leader in intelligent camera surveillance. Using AI and proactive, self-learning algorithms, we upgrade both existing and new surveillance cameras and monitoring systems from passive to proactive alarming devices. IRIS™, Irisity's SaaS solution, turns attention on true events rather than false alarms. Irisity's high-precision AI algorithms detect human activity at long distances during all light conditions down to 10 pixels only.

IRIS™ currently serves a wide range of security applications for hundreds of clients throughout Scandinavia; including schools, overnight monitoring of the elderly in their homes, car parks, critical infrastructure and various types of protective areas.

Irisity act in a turbulent world in which surveillance sentiment has transformed from being questioned as a integrity threat to an obvious safety factor. Through an ambitious growth strategy in one of the world's largest and most rapidly expanding industry sectors, Irisity is investing in new innovation and expanding the IRIS™ SaaS offer internationally.

Video: <https://www.youtube.com/watch?v=KQikmTVqajM>

Irisity AB (publ) is listed on Nasdaq First North Growth Market Sweden.

Erik Penser Bank (+46 8 463 83 00) is Certified Adviser to Irisity.

This information is such that Irisity AB (publ) is obliged to disclose pursuant to the EU Market Abuse Regulation. The information was released for public disclosure, through the agency of the contact persons above, on 13 November 2019 at 22:30 (CET).

#### Important information

This announcement is not an offer to sell or a solicitation of any offer to buy or subscribe for any securities issued by Irisity AB (publ) (the "Company") in any jurisdiction where such offer or sale would be unlawful. In any EEA Member State that has implemented Regulation (EU) 2017/1129 (the "Prospectus Regulation"). This press release is not a prospectus for purposes

of the Prospectus Regulation and has not been approved by any regulatory authority in any jurisdiction. The Company has not authorized any offer to the public of securities in any EEA member state and no prospectus has been or will be prepared in connection with the directed share issue (the "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 Regulation.

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This announcement does not identify or suggest, or purport to identify or suggest, the risks (direct or indirect) that may be associated with an investment in the new shares. Any investment decision to buy or subscribe for new shares in the New Share Issue must be made solely on the basis of publicly available information, which has not been independently verified by Pareto Securities AB (the "Manager"). The Manager is acting for the Company in connection with the transaction and no one else and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for giving advice in relation to the transaction or any other matter referred to herein.

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