

Irisity AB (publ) has carried out a directed issue of MSEK 39 and convenes an extraordinary general meeting.

NOT FOR RELEASE, DISTRIBUTION, OR PUBLICATION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO AUSTRALIA, HONG KONG, JAPAN, CANADA, NEW ZEALAND, SINGAPORE, SOUTH AFRICA, SOUTH KOREA, THE UNITED STATES OR IN ANY OTHER JURISDICTION WHERE SUCH RELEASE, DISTRIBUTION, OR PUBLICATION WOULD BE UNLAWFUL OR REQUIRE REGISTRATION OR ANY OTHER MEASURES BEYOND WHAT IS REQUIRED UNDER SWEDISH LAW. PLEASE REFER TO IMPORTANT INFORMATION AT THE END OF THE PRESS RELEASE.

Irisity AB (publ) ("Irisity" or the "Company") has, subject to approval at an extraordinary general meeting, decided on a directed share issue of 7,800,000 shares at a subscription price of SEK 5.00 per share (the "Directed Issue"). Investors in the Directed Issue include Irisity's Chairman of the Board of Directors, Ulf Runmarker, and Board members Anders Trygg and Christian Andersson as well as a number of new shareholders consisting of qualified and professional investors. The subscription price in the Directed Issue was determined through an accelerated bookbuilding procedure conducted by Erik Penser Bank AB ("Erik Penser Bank"). Irisity will thus receive MSEK 39 before transaction costs. Notice convening the extraordinary general meeting to approve the Directed Issue, will be published separately.

The subscription price in the Directed Issue was determined through an accelerated bookbuilding procedure arranged by Erik Penser Bank and amounts to SEK 5.00 per share, corresponding to a discount of approximately 2.0 percent against the closing price of the Company's shares on Nasdaq First North Growth Market on 21 September 2023. Investors in the Directed Issue include both existing and new shareholders, where Irisity's Chairman of the Board of Directors Ulf Runmarker and Board members Anders Trygg and Christian Andersson, directly or indirectly (privately and/or via companies) has subscribed for MSEK 16. The Directed Issue is conditional upon approval by an extraordinary general meeting, supported by 9/10 of both the votes cast and the shares represented at the extraordinary general meeting, expected to be held on 10 October 2023. The Directed Issue will provide Irisity with MSEK 39 before transaction costs.

With a strategic focus on fast-tracking the company's path to profitability, the proceeds will primarily be used to strengthen the company's working capital and otherwise be allocated for enhancing operational efficiencies and revenue streams to achieve profitability. This includes strengthening the balance sheet to build financial resilience with focus on profitable projects while reducing reliance on external financing, and to invest in high-impact growth initiatives including customized R&D and marketing to accelerate market penetration and generate higher returns.

The Company's Board of Directors has conducted a comprehensive assessment and carefully considered the option of raising capital through a rights issue. However, considering the current market conditions, the Board of Directors believes that, for example, it would pose a risk to the Company's ability to meet its capital needs and maintain an optimal capital structure. The reasons for deviating from the shareholders' pre-emptive rights are therefore (i) that the Directed Issue can be carried out in a more time-efficient manner and at a lower cost and with less complexity than a rights issue, (ii) to diversify the Company's shareholder base with mainly Swedish professional and qualified investors, which is expected to strengthen Irisity's long-term ability to implement the Company's growth strategy, and (iii) considering the current market conditions and the market volatility observed, the Board of Directors has assessed that a rights issue would likely require significant underwriting from an underwriting consortium, which would incur additional costs and/or further dilution for shareholders depending on the type of consideration paid for such guarantee commitments, particularly considering the total proceeds of the Directed Issue. Moreover, a rights issue would likely be conducted at a lower subscription price, given the discount levels for rights issues recently seen in the market. The Board of Directors' overall assessment is that the reasons for implementing the Directed Issue with deviation from the shareholders' pre-emptive rights outweigh the reasons justifying the main rule that new share issues should be carried out with pre-emptive rights for shareholders and that an issuance of new

shares with deviation from the shareholders' pre-emptive rights is in the interest of Irisity and all shareholders.

As the subscription price in the Directed Issue was set through an accelerated bookbuilding procedure, the Board of Directors' assessment is that the subscription price in the issuance reflect market terms and conditions.

The Directed Issue will result in a dilution effect of 15.8 percent of the number of shares and votes in the Company. Through the Directed Issue, the number of outstanding shares will increase by 7,800,000 shares, from 41,429,936 shares to 49,229,936 shares. The Company's share capital will increase by SEK 702,000.00, from SEK 3,728,694.24 to SEK 4,430,694.24.

#### Advisors

Irisity has engaged Erik Penser Bank and Advokatfirman Vinge KB as financial and legal advisers in connection with the Directed Issue.

For further information:

Keven Marier, Irisity CEO

E-mail: [keven.marier@irisity.com](mailto:keven.marier@irisity.com)

This information is such information that Irisity AB (publ) is obliged to make public according to the EU's market abuse regulation. The information was submitted for publication, through the above contact person, at 22:15 CEST on 21 September 2023.

#### Important information

The release, announcement, or distribution of this press release may be subject to restrictions in certain jurisdictions. The recipients of this press release in jurisdictions where this press release has been published, announced, or distributed should inform themselves of and follow such restrictions. The recipient of this press release is responsible for using this press release, and the information herein, in accordance with applicable rules in each jurisdiction. This press release does not constitute an offer, or a solicitation of any offer, to buy or subscribe for any securities in the Company in any jurisdiction, neither from the Company nor from any other.

This press release 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 newly issued shares. Any investment decision in connection with an issuance 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 the Company. The information in this press release is for background purposes only and does not purport to be complete or comprehensive. No reliance, for any purpose, should be placed on the information contained in this press release or its accuracy or completeness.

This press release does not constitute a recommendation regarding any investor's market position in relation to an issuance. Each investor or prospective investor should conduct his, her, or its own investigation, analysis, and assessment of the Company's business and the data described in this press release and publicly available information. The price and value of securities may both increase and decrease. Historical performance is not an indicator of future performance.

This press release does not or is not included in an offer or a solicitation to acquire or subscribe for securities in the United States. Securities mentioned in this press release may not be sold in the United States without registration or without being subject to an exemption from registration under the U.S. Securities Act of 1933 (the "Securities Act") and may not be offered or sold within the United States without registration, or an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. There is no intention to register any securities referred to herein in the United States or to conduct a public offering of the securities in the United States. The information in this press release may not be published, copied, or distributed, directly or indirectly, in whole or in part, in or into Australia, Hong Kong, Japan, Canada, New Zealand, Singapore, South Africa, South Korea, the United States or any other jurisdiction where such publication, disclosure, or distribution of

Press release 2023-09-21  
Directed Issue Closing

the information would not comply with applicable laws and regulations or where such actions are subject to legal restrictions or would require additional registration or other measures other than what is required under Swedish law. Actions taken in violation of this instruction may constitute a crime against applicable securities laws and regulations.

This press release is not a prospectus under Regulation (EU) 2017/1129 (the "Prospectus Regulation") and has not been approved by any regulatory authority in any jurisdiction. The Company has not approved any public offering of shares or rights in any member state of the EEA, and no prospectus has or will be prepared in connection with the issuance. In an EEA member state, this communication is addressed and directed only to qualified investors, within the meaning of the Prospectus Regulation, in that member state.

In the United Kingdom, this press release, and any other materials relating to the securities referred to herein, is directed only at, and an investment or investment activity to which this document relates is available only to, and will be engaged in only with, "qualified investors" who (i) have professional experience in matters relating to investments which fall within the meaning of article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Regulation") or (ii) high net worth entities falling within article 49(2)(a) to (d) of the Regulation (all such persons being referred to as "relevant persons"). Any investment or investment activity to which this communication relates is available only to and will be engaged in only with relevant persons in the United Kingdom. Persons who are not relevant persons should not take any action based on this press release and should not act or rely on it.

#### Forward-looking statements

The matters discussed in this press release may include forward-looking statements. Forward-looking information is all statements that do not relate to historical facts and events and are forward-looking statements attributable to the future and may include expressions such as "believes", "estimates", "expects", "assesses", "expects", "estimates", "expects", "intends", "may", "will", "shall", "should", "according to estimate", "is of the opinion", "receives", "plans", "continues", "potential", "calculates", "forecasts", "to the best of its knowledge", or similar expressions. This applies in particular to statements concerning future results, financial position, cash flow, plans, and expectations regarding the Company's business and management, future growth, and profitability, as well as the general economic and regulatory environment and other circumstances affecting the Company, many of which, in turn, are based on further assumptions, such as no changes in existing political, legal, tax, market, or economic conditions or applicable laws (including, but not limited to, accounting principles, accounting policies, and tax policies), which, individually or together, could be significant for the Company's results or its ability to conduct its business. Although the Company believes that these assumptions were reasonable when made, they themselves are subject to significant known and unknown risks, uncertainties, unforeseen events, and other important factors that are difficult or impossible to predict and that may be beyond the Company's control. Such risks, uncertainties, unforeseen events, and other important factors may cause actual events to differ materially from the expectations expressed or implied in such forward-looking statements.

Accordingly, prospective investors should not place undue reliance on the forward-looking information herein.

The information, opinions, and forward-looking statements found in this press release apply solely as of the date of this press release and may be subject to change without notice. Neither the Company nor any other undertakes to review, update, confirm or publicly announce any revisions to any forward-looking statement to reflect events that occur or circumstances that arise regarding the content of this press release.

Press release 2023-09-21  
Directed Issue Closing

#### About Irisity

Irisity AB (publ) is a world-leader in AI-powered video analytics solutions for enhanced safety and security. As of October 13, 2021, Agent Vi is part of Irisity. Founded in 2006, Irisity has offices in Sweden (HQ), Israel, North and South America, UAE, Denmark, Japan and Singapore. The combined company is serving a network of integrators, distributors, and technology partners globally.

The Irisity AB (publ) share is listed on Nasdaq First North Growth Market, with the ticker IRIS, Certified Adviser: Erik Penser Bank AB +46 8 463 83 00 [certifiedadviser@penser.se](mailto:certifiedadviser@penser.se)