

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

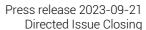
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Irisity AB (publ) ("Irisity" or the "Company") has, subject to approval at an extraordinary general meeting, decided on a directed share issue of 7,800,000 shares at a subscription price of SEK 5.00 per share (the "Directed Issue"). Investors in the 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 quarantee 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:

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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.

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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.



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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