

**PRESS RELEASE 9 SEPTEMBER 2020**

The logo for Sensys Gatso Group, featuring the company name in white text on a green circular background.

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## **Sensys Gatsos directed new share issue heavily oversubscribed, thereby raising proceeds of SEK 75 million**

**The board of directors of Sensys Gatso Group AB ("Sensys Gatso" or the "Company") has, in accordance with the Company's press release earlier today, with support of the authorization granted by the annual general meeting May 12, 2020, resolved on and carried out a new share issue of 53,571,475 shares (the "Directed New Share Issue"). The subscription price of the shares in the Directed New Share Issue amounts to SEK 1.40 per share. To meet the large interest in the new share issue, the Company has chosen to increase the Directed New Share Issue compared with the previously communicated intent to raise SEK 50 million. Through the Directed New Share Issue Sensys Gatso will receive proceeds amounting to SEK 75 million before deduction of transaction costs. Investors in the new share issue are a number of institutional investors, family offices and private investors.**

The subscription price in the Directed New Share Issue amounts to SEK 1.40 and has been determined through a so called bookbuilding procedure carried out by the Company's financial advisor Erik Penser Bank AB ("Erik Penser Bank"), why it is the board of directors' assessment that the subscription price is in accordance with market conditions. The subscription price in the Directed New Share Issue constitutes a discount of 9.7 percent compared to the closing price on Nasdaq Stockholm on September 9 2020.

The reasons for the deviation from the shareholders' preferential rights are mainly to diversify the shareholder base in the Company among institutional investors and at the same time take advantage of the opportunity to raise capital in a time- and cost-efficient manner.

The net proceeds from the Directed New Share Issue will primarily be used to support and accelerate the Company's growth plan which includes investments in expanding in current and new markets to make traffic safer and cities more sustainable.

The Directed New Share Issue entails a dilution of approximately 5.9 percent of the number of shares and votes in the Company. Through the Directed New Share Issue, the number of outstanding shares and votes will increase by 53,571,475 from 860,024,407 to 913,595,882. The share capital will increase by approximately SEK 2,678,573.75 from SEK 43,001,220.35 to SEK 45,679,794.10.

### **Claes Ödman, Chairman, comments**

*"It is gratifying to see that Swedish institutional investors and family offices notice our progress and are willing to finance our global growth plan. Our ambition for 2025 is to reach total Sales of more than SEK 1 billion, of which at least SEK 600 million TRaaS recurring revenues, and an EBITDA-margin higher than 15 percent. There is significant leverage in Sensys Gatso's TRaaS-business model."*

### **Ivo Mönnink, CEO, comments**

*"We play a leading role in changing traffic behavior and saving lives, across the world. With the good momentum in the 2019 and 2020 global order intake, our business is growing. Especially our TRaaS business, which is based on long-term customer contracts, is doing well. Each new Sensys Gatso program in operation generates revenue, margin and cash-flow on a yearly basis, typically for more than five years. Sensys Gatso has a good track record in extending the contracts beyond five years with a retention/renewal rate of more than 85 percent. Thanks to the combination of our scalable software solutions and flexible hardware, our strong global brand and our competent global team, we feel we have a unique opportunity to further increase our recurring TRaaS revenue. This new financing will help us achieve this."*

### **Advisers**

Erik Penser Bank is acting as Sole Manager and Bookrunner and Kanter Advokatbyrå is legal adviser to the Company in connection with the Directed New Share Issue.

### **For further information, please contact:**

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*This information is information that Sensys Gatso Group AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication at 22.00 CET on 9 September 2020.*

## About Sensys Gatso

Sensys Gatso Group is the leading provider of traffic safety solutions delivering systems, software and services primarily for automatic traffic enforcement globally and sustainable environment. The Company's share is listed on Nasdaq Stockholm, ticker SENS. For more information, go-to: <https://www.sensysgatso.com/>

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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 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 Penser. The information contained in this announcement is for background purposes only and does not purport to be complete. Thus, an investor should not place undue reliance on the information contained in this announcement or its accuracy or completeness. Penser is acting for the Company in connection with the transaction and no one else. Penser 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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This press release contains forward-looking statements that reflect the Company's intentions, assessments, or current expectations about and targets for the Company's future results of operations, financial condition, development, 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 the fact that they contain 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 nor does it accept any responsibility for the future accuracy of the opinions expressed in this press release or any obligation to update or revise the statements in this press release to reflect subsequent events. 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 contained in this press release speak only as at its date and are subject to change without notice. Neither the Company nor anyone else does undertake any obligation to review, update, confirm or to release publicly any revisions to any forward-looking

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#### 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 shares in Sensys Gatso 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 shares in Sensys Gatso may decline and investors could lose all or part of their investment; the shares in Sensys Gatso offer no guaranteed income and no capital protection; and an investment in the shares in Sensys Gatso 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 shares in Sensys Gatso.

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