

# Q4

Irisity AB (publ)

YEAR-END REPORT

January - December 2019



**IRISITY**

# Summary of the period

## 1 October - 31 December 2019

- Net sales amounted to MSEK 9.7 (7.1).
- Work performed for own account amounted to MSEK 3.5 (2.8).
- Gross margin amounted to 71.8 percent (62.0).
- EBITDA amounted to MSEK -0.4 (-2.6).
- Loss after tax amounted to MSEK -3.5 (-4.5).
- SaaS income amounted to MSEK 7.5.
- MRR at the end of the quarter amounted to MSEK 2.7.
- The directed new issue that was carried out provided the Company MSEK 32.4 in proceeds after issuance costs.

## 1 January - 31 December 2019

- Net sales amounted to MSEK 35.8 (30.1).
- Work performed for own account amounted to MSEK 15.9 (15.4).
- Gross margin amounted to 63.1 percent (68.7).
- EBITDA amounted to MSEK -4.9 (-7.9).
- Loss after tax amounted to MSEK -17.7 (-14.2).
- SaaS income amounted to MSEK 26.1.
- MRR at the end of the period amounted to MSEK 2.7.
- Visionists AB was acquired on 21 January 2019.
- In connection with the acquisition, a non-cash issue was carried out. Through the issue, the number of shares increased by 1,494,007 to 19,069,351, and the share capital increased to kSEK 1,716.
- In connection with the issue registered on 20 December 2019, the number of shares increased by 4,094 000 to 23,163 351, and the share capital increased to kSEK 2,085.

## Sales and results

| Sales and results, Group (kSEK) | October-<br>December<br>2019 | October-<br>December<br>2018* | January-<br>December<br>2019 | January-<br>December<br>2018* |
|---------------------------------|------------------------------|-------------------------------|------------------------------|-------------------------------|
| Net sales                       | 9,720                        | 7,051                         | 35,760                       | 30,061                        |
| Work performed for own account  | 3,474                        | 2,848                         | 15,930                       | 15,350                        |
| EBITDA                          | -387                         | -2,602                        | -4,781                       | -7,973                        |
| EBIT                            | -2,898                       | -4,295                        | -16,682                      | -13,557                       |
| Operating margin %              | neg                          | neg                           | neg                          | neg                           |
| Result after financial items    | -3,120                       | -4,495                        | -17,295                      | -14,262                       |
| Result for the period           | -3,523                       | -4,478                        | -17,671                      | -14,245                       |

\*Refers to the parent company, Irisity AB (publ). The Group was formed on January 21 2019 and includes Visionists AB and D.A.R.C AB, the latter with no active operations.

# Irisity in brief

Irisity AB (publ) is a leader in AI-based video analytics. Our proactive and self-learning algorithms can upgrade new and existing surveillance systems and cameras to actively alerting units. Irisity's SaaS solution IRIS™ allows attention to be focused on actual incidents instead of false alarms. Irisity's AI algorithms offer high precision and are able to detect human activity at long distances and in all light conditions.

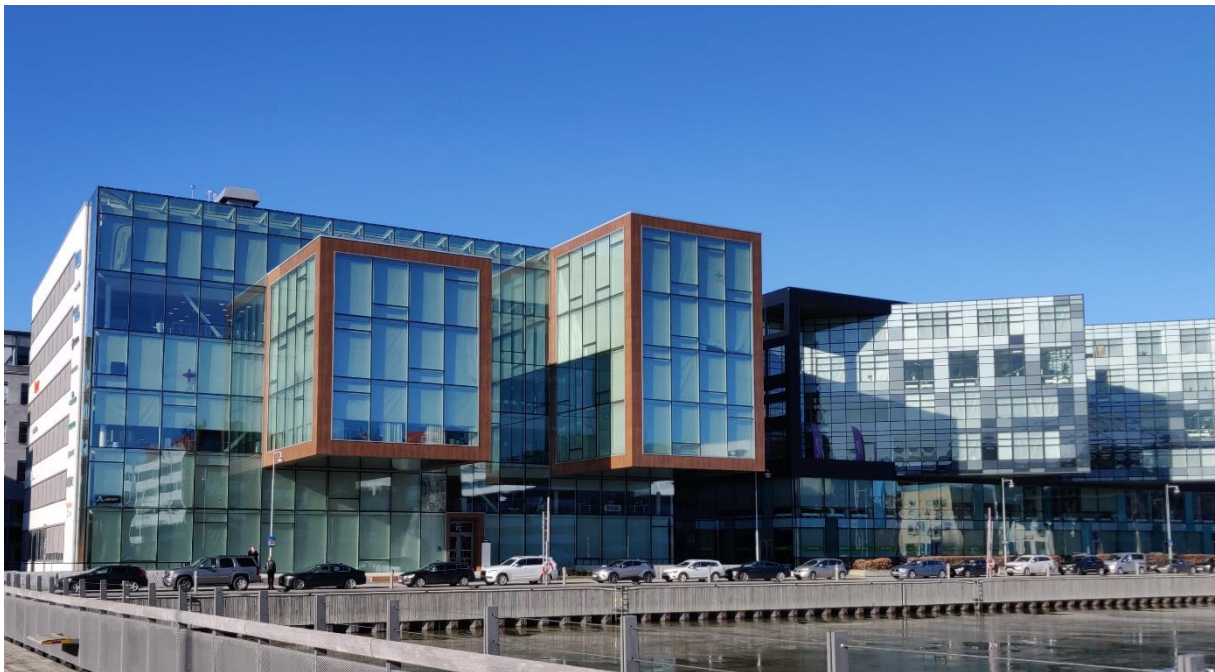
The IRIS™ algorithms are adapted for a number of applications, including surveillance of critical infrastructure and schools, night-time supervision of elderly in their homes, and guarding various kinds of restricted areas.

The machine learning employed by Irisity's algorithms is one of the most substantial on the market, with a learning experience of more than ten years and millions of situations.

With an offensive growth strategy in one of the world's largest and fastest growing segments, we are increasing our pace of innovation and expanding our SaaS offer IRIS™ internationally.

## Products and services

We provide a number of intelligent camera surveillance concepts based on Irisity's patented AI algorithms, including: School Guard™, Construction Guard™, Area Guard™, the IRIScare™ e-health service for night-time supervision, the intelligent parking solution IRIS Parking™, and PeopleMetrics™.



## Comments from our CEO

We are still facing a strong demand for our SaaS offer IRIS. Sales during the quarter are showing strong growth both nationally and internationally. The EBITDA result improved during the period, driven by higher revenue as well as improved margins. The net result is impacted by depreciation and amortization of tangible and intangible assets.

Irisity continues to position itself internationally as a leading supplier of high-accuracy video analytics based on advanced machine learning.

This quarter saw the completion of IRIS Cortex, the most extensive release in company history. This new version of IRIS includes improved algorithms and an entirely cloud-based version that does not require installation and is easy to use.

The five leading global security groups operate millions of cameras between them, and have a combined turnover of over SEK 500 billion – arising from activities that are predominantly performed manually. A major digitalization effort is now underway, in order to streamline operations and increase customer value. Advanced AI-based video analytics is the key to this transition, and also the driving force behind it. This is the market potential for IRIS.



Gothenburg, 2020-02-12

A handwritten signature in blue ink, appearing to be 'M. Bäcklund', written over a white background.

Marcus Bäcklund

# Share and ownership

The ten major owners, 2019-12-31:

| Shareholder                                  | Number of shares  | Ownership interest |
|--|-------------------|--------------------|
| Chalmers Innovation Seed Fund AB             | 2,454,634         | 10.60%             |
| Försäkringsaktiebolaget, Avanza Pension      | 1,852,572         | 8.00%              |
| Aktiebolaget Westergyllen                    | 1,430,000         | 6.17%              |
| Ulf Runmarker                                | 1,186,141         | 5.12%              |
| Nordnet Pensionsförsäkring AB                | 1,133,363         | 4.89%              |
| Chalmers University of Technology Foundation | 1,034,562         | 4.47%              |
| Pixelwise Holding AB                         | 956,895           | 4.13%              |
| AB Stena Metall Finans (publ)                | 830,000           | 3.58%              |
| Hans Andersson Holding AB                    | 741,357           | 3.20%              |
| Niklas Larsson                               | 590,000           | 2.55%              |
| The ten major shareholders in total          | 12,209,524        | 52.71%             |
| Others                                       | 10,953,827        | 47.29%             |
| <b>Total</b>                                 | <b>23,163,351</b> | <b>100.00%</b>     |

## Number of shares

Irisity AB (publ) has 23,163,351 shares outstanding as of 31 December 2019. During the quarter, a directed new issue of shares was carried out, which increased the number of shares by 4,094,000 and the share capital by SEK 368,460.

## Ownership

Irisity AB (publ), org. nr./Reg. No. 556705-4571 is a public company listed on Nasdaq First North Growth Market under the ticker IRIS. The shareholder overview describes the situation as of 31 December 2019, when 3,211 shareholders were registered.

## Risk factors

The Company's key risks and uncertainty factors include operational risks as well as risks that relate to market and technology development, patents, competitors and future funding (such as risks related to securities, for example share price development, volatility and liquidity). Investors are urged to make their own assessments of each risk factor and their respective impact on the group's future potential. The above-mentioned risk factors are presented in no particular order and the list should not be regarded as exhaustive.

## Incentive scheme

In August 2015, an extraordinary general meeting decided to approve the suggestion made by the main owners and the board to implement an incentive scheme for the staff, the board, key management personnel and future recruitments. A conversion has taken place to reflect the issues of new shares registered with the Swedish Companies Registration Office in 2019. The schemes are fully subscribed by the staff and the Management Board. The "2015 Syntetiska optioner" (2015 Share Appreciation Rights) and "2015/2018 Teckningsoptioner" (2015/2018 Warrants) schemes have been

terminated, and the "2015/2020 Teckningsoptioner" (2015/2020 Warrants) is the only one that remains. If fully exercised, the dilutive effect would be 1.1 percent.

### **Significant events after the end of the period**

No significant events that are not already communicated to the market have taken place since the end of the interim period.

### **Accounting policies**

The interim financial report is prepared in accordance with the recommendations and statements from the Swedish Accounting Standards Board, as well as the Swedish Annual Accounts Act. The accounting policies applied in this interim report are the same as those used in the most recent annual report. The accounting policies applied are the same for the Group and for the Parent Company. Goodwill arising on the acquisition of Visionists AB is depreciated over five years.

### **The financial result and position of the Group and the Parent Company**

The financial result and position of the Group and the Parent Company in general is set out in the income statement and balance sheet below.

### **Related party transactions**

No transaction with related parties which significantly affected the result or financial position of the Company took place during the period. The related party transactions that took place in the Group and the Company during 2018 are provided in the last annual report (note number 5).

### **True and fair view**

The Managing Board has mandated the CEO to publish the report. The Managing Board and the CEO confirm that this report provides a true and fair view of the Group's operations, position and performance, and describes material risks and uncertainties faced by the Group.

This report has not been reviewed by the company's auditors.

### **Proposed appropriations of profit or loss**

The Board of Directors and Chief Executive Officer proposes that no dividend shall be paid for the financial year 1 January to 31 December 2019.





# Financial overview

## Net sales and result

The Group's net sales during the quarter amounted to MSEK 9.7 (6.9), and the work performed for own account amounted to MSEK 3.5 (2.8).

EBITDA amounted to MSEK -0.4 (-2.6), and result after tax amounted to MSEK -3.5 (-4.5). Depreciation charges of MSEK -2.6 are for the most part related to goodwill arising on the acquisition of Visionists AB.

During the quarter, the Group has continued to invest in software development in the amount of MSEK 3.5. Meanwhile, geographical expansion and supportive sales efforts still impose significant costs for the Group. The development effort has focused on developing the next version of the system, development associated with specific pilot projects, and further development of the SaaS model.

## Investments and financial position

The Group's cash flow from operating activities before changes in working capital amounted to MSEK -0.6 (-3.1) during the quarter. The cash flow from operating activities was MSEK 0.9 (3.1).

During the same period, the cash flow from investing activities amounted to MSEK -3.5 (-6.9). For the most part, this can be attributed to the acquisition and to investments in newly developed software. From financing activities, the cash flow was MSEK 31.3 (22.5), primarily attributed to the new share issue that has been carried out. The net cash flow, excluding the effect of new share issue, amounted to MSEK -6.4 (-5.1)

The cash flow for the period amounted to MSEK 28.6 (18.7).

The balance sheet total amounted to MSEK 112.4 (76.6) on 31 December 2019, with a 77.7 percent (61.2) solidity. The Group's net debt amounted to MSEK 33.6 (21.1). The Parent Company has an overdraft facility up to MSEK 10 in total, which on the balance sheet date remained unused. The MSEK 5 increase in business mortgages constitutes the security for the overdraft facility. The acquisition cost for the shares in Visionists AB has been finally adjusted, and Cost of acquisition and Share premium reserve/other contributed capital has been adjusted accordingly.

## Staff and organization

At the end of the period, the average number of full-time equivalent employees was 32 (24), 5 (5) of whom were women.



| CONSOLIDATED<br>INCOME STATEMENT (kSEK)        | October-<br>December<br>2019 | October-<br>December<br>2018* | January-<br>December<br>2019 | January-<br>December<br>2018* |
|--|------------------------------|-------------------------------|------------------------------|-------------------------------|
| Net sales                                      | 9,666                        | 6,874                         | 35,402                       | 29,812                        |
| Work performed for own account                 | 3,474                        | 2,848                         | 15,930                       | 15,350                        |
| Other operating income                         | 54                           | 177                           | 358                          | 249                           |
| Cost of sales                                  | -2,721                       | -2,612                        | -13,067                      | -9,343                        |
| <b>Gross result</b>                            | <b>10,564</b>                | <b>7,287</b>                  | <b>38,623</b>                | <b>36,068</b>                 |
| Other external charges                         | -2,521                       | -5,236                        | -14,997                      | -18,202                       |
| Personnel costs                                | -8,339                       | -4,653                        | -28,498                      | -25,839                       |
| Depreciation of tangible and intangible assets | -2,602                       | -1,693                        | -11,810                      | -5,584                        |
| <b>Operating result</b>                        | <b>-2,989</b>                | <b>-4,295</b>                 | <b>-16,682</b>               | <b>-13,557</b>                |
| Interest income                                | 1                            | 0                             | 4                            | 1                             |
| Interest costs                                 | -132                         | -200                          | -617                         | -706                          |
| <b>Result after financial items</b>            | <b>-3,120</b>                | <b>-4,495</b>                 | <b>-17,295</b>               | <b>-14,262</b>                |
| Income taxes                                   | -403                         | 17                            | -376                         | 17                            |
| <b>Net profit or loss for the period</b>       | <b>-3,523</b>                | <b>-4,478</b>                 | <b>-17,671</b>               | <b>-14,245</b>                |

\*Refers to the parent company, Irisity AB (publ). The Group was formed on January 21 2019 and includes Visionists AB and D.A.R.C AB, the latter with no active operations.



| CONSOLIDATED<br>BALANCE SHEET (kSEK)         | December<br>2019 | December<br>2018* |
|--|------------------|-------------------|
| <b>Assets</b>                                |                  |                   |
| Intangible fixed assets                      | 38,254           | 24,681            |
| Goodwill                                     | 21,090           | -                 |
| Tangible fixed assets                        | 4,809            | 7,784             |
| Financial fixed assets                       | 0                | 395               |
| Deferred tax assets                          | 141              | 96                |
| <b>Total fixed assets</b>                    | <b>64,294</b>    | <b>32,956</b>     |
| Accounts receivable                          | 6,333            | 8,584             |
| Other current assets                         | 1,990            | 2,738             |
| Cash and bank balances                       | 39,804           | 32,285            |
| <b>Total current assets</b>                  | <b>48,127</b>    | <b>43,607</b>     |
| <b>Total assets</b>                          | <b>112,421</b>   | <b>76,563</b>     |
| <b>Equity and liabilities</b>                |                  |                   |
| Share capital                                | 2,085            | 1,582             |
| Other contributed capital                    | 170,293          | 112,631           |
| Other equity including result for the period | -85,014          | -67,343           |
| <b>Total equity</b>                          | <b>87,364</b>    | <b>46,870</b>     |
| <b>Long-term liabilities</b>                 | <b>2,761</b>     | <b>5,920</b>      |
| <b>Deferred tax liabilities</b>              | <b>476</b>       | <b>0</b>          |
| Short-term financial liabilities             | 3,447            | 5,222             |
| Accounts payable                             | 4,385            | 4,391             |
| Other short-term liabilities                 | 13,988           | 14,160            |
| <b>Total short-term liabilities</b>          | <b>21,820</b>    | <b>23,773</b>     |
| <b>Total equity and liabilities</b>          | <b>112,421</b>   | <b>76,563</b>     |
| Business mortgages                           | 13,000           | 8,000             |
| Pledged account                              | 1,500            | 1,500             |
| <b>Total</b>                                 | <b>14,500</b>    | <b>9,500</b>      |
| <b>Contingent liabilities</b>                | none             | none              |

\*Refers to the parent company, Irisity AB (publ). The Group was formed on January 21 2019 and includes Visionists AB and D.A.R.C AB, the latter with no active operations.

STATEMENT OF CHANGES IN  
EQUITY, CONSOLIDATED

| Changes in equity (kSEK)                 | Share capital | Other contributed capital | Other equity including result for the period | Total         |
|--|---------------|---------------------------|--|---------------|
| <b>Opening balance equity 2018-01-01</b> | <b>1,439</b>  | <b>87,928</b>             | <b>-52,981</b>                               | <b>36,386</b> |
| <i>Transactions with owners:</i>         |               |                           |  |               |
| New share issue                          | 143           | 24,703                    |  | 24,846        |
| Subscription warrants                    |               |                           | -117   | -117          |
| Result for the period                    |               |                           | -14,245                                      | -14,245       |
| <b>Closing balance equity 2018-12-31</b> | <b>1,582</b>  | <b>112,631</b>            | <b>-67,343</b>                               | <b>46,870</b> |
| <b>Opening balance equity 2019-01-01</b> | <b>1,582</b>  | <b>112,631</b>            | <b>-67,343</b>                               | <b>46,870</b> |
| <i>Transactions with owners:</i>         |               |                           |  |               |
| Non-cash issue                           | 134           | 25,637                    |  | 25,771        |
| New share issue                          | 368           | 32,025                    |  | 32,393        |
| Subscription warrants                    |               |                           | -  | -             |
| Result for the period                    |               |                           | -17,671                                      | -17,671       |
| <b>Closing balance equity 2019-12-31</b> | <b>2,084</b>  | <b>170,293</b>            | <b>-85,014</b>                               | <b>87,363</b> |

The share capital consists of 23,163,351 shares, each with a quota value of SEK 0.09.

| CONSOLIDATED<br>CASH FLOW STATEMENT (kSEK)                           | October-December<br>2019 | October-December<br>2018* | January-December<br>2019 | January-December<br>2018* |
|--|--------------------------|---------------------------|--------------------------|---------------------------|
| Cash flow from operating activities before change in working capital | -597                     | -3,077                    | -4,917                   | -8,713                    |
| Cash flow from operating activities                                  | 889                      | 3,098                     | -2,219                   | -6,982                    |
| Cash flow from investing activities                                  | -3,531                   | -6,892                    | -17,726                  | -20,386                   |
| Cash flow from financing activities                                  | 31,271                   | 22,465                    | 27,464                   | 53,644                    |
| Cash flow for the period   | 28,629                   | 18,671                    | 7,519                    | 26,276                    |
| Cash and cash equivalents at the beginning of the period             | 11,175                   | 13,614                    | 32,285                   | 6,009                     |
| Cash and cash equivalents at the end of the period                   | 39,804                   | 32,285                    | 39,804                   | 32,285                    |

\*Refers to the parent company, Irisity AB (publ). The Group was formed on January 21 2019 and includes Visionists AB and D.A.R.C AB, the latter with no active operations.

| THE PARENT COMPANY'S<br>INCOME STATEMENT (kSEK) | October-<br>December<br>2019 | October-<br>December<br>2018 | January-<br>December<br>2019 | January-<br>December<br>2018 |
|---|------------------------------|------------------------------|------------------------------|------------------------------|
| Net sales                                       | 10,033                       | 6,874                        | 35,891                       | 29,812                       |
| Work performed for own account                  | 4,059                        | 2,848                        | 16,515                       | 15,350                       |
| Other operating income                          | 54                           | 177                          | 358                          | 249                          |
| Cost of sales                                   | -3,964                       | -2,612                       | -17,831                      | -9,343                       |
| <b>Gross result</b>                             | <b>1,018</b>                 | <b>7,287</b>                 | <b>34,933</b>                | <b>36,068</b>                |
| Other external charges                          | -4,034                       | -5,236                       | -19,826                      | -18,202                      |
| Personnel costs                                 | -6,795                       | -4,653                       | -22,239                      | -25,839                      |
| Depreciation of tangible and intangible assets  | -1,594                       | -1,693                       | -6,931                       | -5,584                       |
| <b>Operating result</b>                         | <b>-2,241</b>                | <b>-4,295</b>                | <b>-14,063</b>               | <b>-13,557</b>               |
| Interest income                                 | 1                            | 0                            | 2                            | 1                            |
| Interest costs                                  | -124                         | -200                         | -615                         | -706                         |
| <b>Result after financial items</b>             | <b>-2,364</b>                | <b>-4,495</b>                | <b>-14,676</b>               | <b>-14,262</b>               |
| Income taxes                                    | 46                           | 17                           | 46                           | 17                           |
| <b>Net profit or loss for the period</b>        | <b>-2,318</b>                | <b>-4,478</b>                | <b>-14,630</b>               | <b>-14,245</b>               |



| THE PARENT COMPANY'S<br>BALANCE SHEET (kSEK) | December<br>2019 | December<br>2018 |
|--|------------------|------------------|
| <b>Assets</b>                                |                  |                  |
| Intangible fixed assets                      | 37,485           | 24,681           |
| Tangible fixed assets                        | 4,809            | 7,784            |
| Financial fixed assets                       | 29,495           | 395              |
| Deferred tax assets                          | 141              | 96               |
| <b>Total fixed assets</b>                    | <b>71,930</b>    | <b>32,956</b>    |
| Accounts receivable                          | 6,313            | 8,584            |
| Other current assets                         | 1,951            | 2,738            |
| Cash and bank balances                       | 39,248           | 32,285           |
| <b>Total current assets</b>                  | <b>47,512</b>    | <b>43,607</b>    |
| <b>Total assets</b>                          | <b>119,442</b>   | <b>76,563</b>    |
| <b>Equity and liabilities</b>                |                  |                  |
| Restricted equity                            | 38,639           | 24,707           |
| Non-restricted equity                        | 51,766           | 22,163           |
| <b>Total equity</b>                          | <b>90,405</b>    | <b>46,870</b>    |
| <b>Long-term liabilities</b>                 | <b>2,760</b>     | <b>5,920</b>     |
| Short-term financial liabilities             | 3,447            | 5,222            |
| Accounts payable                             | 4,302            | 4,391            |
| Liabilities to group companies               | 6,407            | -                |
| Other short-term liabilities                 | 12,121           | 14,160           |
| <b>Total short-term liabilities</b>          | <b>26,277</b>    | <b>23,773</b>    |
| <b>Total equity and liabilities</b>          | <b>119,442</b>   | <b>76,563</b>    |
| Business mortgages                           | 13,000           | 8,000            |
| Pledged account                              | 1,500            | 1,500            |
| <b>Total</b>                                 | <b>14,500</b>    | <b>9,500</b>     |
| <b>Contingent liabilities</b>                | none             | none             |

THE PARENT COMPANY'S  
CHANGES IN EQUITY

| Changes in equity (kSEK)                 | Share capital | Fund for development costs | Share premium reserve | Retained earnings | Result for the period | Total         |
|--|---------------|----------------------------|-----------------------|-------------------|-----------------------|---------------|
| <b>Opening balance equity 2018-01-01</b> | <b>1,439</b>  | <b>8,944</b>               | <b>87,928</b>         | <b>-58,454</b>    | <b>-3,471</b>         | <b>36,387</b> |
| Change in fund for development costs     |               | 14,181                     |                       | -14,181           |                       | 0             |
| New share issue                          | 143           |                            |                       |                   |                       | 142           |
| Share premium reserve                    |               |                            | 26,198                |                   |                       | 26,198        |
| New issue costs                          |               |                            | -1,495                |                   |                       | -1,495        |
| Transfer of previous year's result       |               |                            |                       | -3,471            | 3,471                 | 0             |
| Subscription warrants                    |               |                            |                       | -117              |                       | -117          |
| Result for the period                    |               |                            |                       |                   | -14,245               | -14,245       |
| <b>Closing balance equity 2018-12-31</b> | <b>1,582</b>  | <b>23,125</b>              | <b>112,631</b>        | <b>-76,223</b>    | <b>-14,245</b>        | <b>46,870</b> |
| <b>Opening balance equity 2019-01-01</b> | <b>1,582</b>  | <b>23,125</b>              | <b>112,631</b>        | <b>-76,223</b>    | <b>-14,245</b>        | <b>46,870</b> |
| Change in fund for development costs     |               | 13,428                     |                       | -13,428           |                       | 0             |
| New share issue                          | 503           |                            |                       |                   |                       | 503           |
| Share premium reserve                    |               |                            | 60,272                |                   |                       | 60,272        |
| New issue costs                          |               |                            | -2,610                |                   |                       | -2,610        |
| Transfer of previous year's result       |               |                            |                       | -14,245           | 14,245                | 0             |
| Subscription warrants                    |               |                            |                       |                   |                       | 0             |
| Result for the period                    |               |                            |                       |                   | -14,630               | -14,630       |
| <b>Closing balance equity 2019-12-31</b> | <b>2,085</b>  | <b>36,553</b>              | <b>170,293</b>        | <b>-103,896</b>   | <b>-14,630</b>        | <b>90,405</b> |

| THE PARENT COMPANY'S<br>CASH FLOW STATEMENT (kSEK)                   | October-December 2019 | October-December 2018 | January-December 2019 | January-December 2018 |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
| Cash flow from operating activities before change in working capital | -516                  | -3,077                | -7,727                | -8,713                |
| Cash flow from operating activities                                  | 1,429                 | 3,098                 | -69                   | -6,982                |
| Cash flow from investing activities                                  | -4,116                | -6,892                | -20,432               | -20,386               |
| Cash flow from financing activities                                  | 31,271                | 22,465                | 27,464                | 53,644                |
| Cash flow for the period   | 28,584                | 18,671                | 6,963                 | 26,276                |
| Cash and cash equivalents at the beginning of the period             | 10,664                | 13,614                | 32,285                | 6,009                 |
| Cash and cash equivalents at the end of the period                   | 39,248                | 32,285                | 39,248                | 32,285                |

# Definitions

## OPERATING RESULTS

Profit or loss before financial items.

## OPERATING MARGIN (PERCENT)

Operating result divided by net turnover (since the operating margin is calculated in accordance with the definition of net turnover in the Annual Accounts Act, work performed for own account is not included in the margin calculation).

## SOLIDITY (PERCENT)

Adjusted equity capital in relation to the balance sheet total, expressed in percent.

## BALANCE SHEET TOTAL

The total of assets or the total of debts and equity.

## NET DEBT

Interest-bearing liabilities less interest-bearing assets and liquid assets.

## NUMBER OF SHARES

The number of outstanding shares at the end of the period.

## RESULT PER SHARE (SEK)

The result after taxes for the period divided by the number of shares.

## THE OBJECT

The object refers to the physical location where a client has installed Irisity's surveillance solution. A municipality may for instance use the system in a number of schools. Each school would then be considered a separate object.

## SAAS INCOME

Recurring revenue from the IRIS service.

## MRR

Monthly recurring revenue.

## R&D

Research and Development.

## INVOICING

The invoicing is the sum of invoices issued during the period. To arrive at the net sales affecting the result, adjustments are made for the payments made in advance or in arrears.

## PAYMENT MODEL

Depending on their needs, the company's customers can choose between the following payment models:

- Subscription – the customer pays a continuous subscription fee for the IRIS service.
- Purchase – the customer purchases the equipment and the licenses from Irisity.
- Lease – the customer leases the equipment and licences from Irisity for an indefinite period.
- Payment by instalments – the customer pays the licence by instalments and leases the equipment from Irisity.



# Financial calendar

## Publication dates for interim reports

2020-03-16 Annual report  
2020-04-21 Annual General Meeting  
2020-05-07 Interim report 1  
2020-08-06 Interim report 2  
2020-11-04 Interim report 3



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This information is information that Irisity AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, at 08:00 CET on 12 February 2020.





# IRISITY

SECURITY BEYOND HUMAN  
INTELLIGENCE

