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PRESS RELEASE SEPTEMBER 9, 2020

Sensys Gatso Group AB intends to undertake a directed new share issue amounting to SEK 50 million

Sensys Gatso Group AB (“Sensys Gatso” or the “Company”) today announces its intention to carry out a directed new share issue of SEK 50 million to primarily institutional investors (the “Directed New Share Issue”).

The transaction in brief

The Directed New Share Issue is intended to be carried out with deviation from the shareholders’ preferential rights and with the support of the authorization granted by the annual general meeting held on May 12, 2020. Sensys Gatso has engaged Erik Penser Bank AB (“Erik Penser Bank”) to investigate the conditions for a new issue of shares through a so-called accelerated bookbuilding procedure, which will commence immediately after the disclosure of this press release. The subscription price and allocation of the new shares will be determined prior to commencement of trading on Nasdaq Stockholm on 10 September 2020. The Company will announce the outcome of the Directed New Share Issue in a press release when the bookbuilding procedure is closed.

The bookbuilding procedure, determination of the subscription price and allocation may, at the discretion of the Company or Erik Penser Bank, close earlier or later and may be cancelled at any time and consequently, the Company may refrain from completing the Directed New Share Issue.

Background and use of proceeds

The rationale for carrying out the Directed New Share Issue is primarily to support and accelerate the Company's growth plan which includes investments in expanding current and new markets in order to make traffic safer and cities more sustainable.

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

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.

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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 17.55 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/>

Important information

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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.

This announcement does not constitute a recommendation concerning any investor's decision with respect to the Directed New Share Issue. Each investor or prospective investor should conduct his, her or its own investigation, analysis and evaluation of the business and data described in this announcement and in all publicly available information. The price and value of the securities can go down as well as up. Past performance is not a guide to future performance.

This press release does not constitute or form part of an offer or solicitation to purchase or subscribe for securities in the United States. The securities referred to herein may not be sold in the United States absent registration or an exemption from registration under the US Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold within the United States absent 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 make a public offering of the securities in the United States. The information in this press release may not be announced, published, copied or distributed, directly or indirectly, in whole or in part, within or into Australia, Hong Kong, Japan, Canada, New Zealand, Singapore,

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This press release is not a prospectus for the purposes of Regulation (EG) 2017/1129 (the "Prospectus Regulation") and has not been approved by any regulatory authority in any jurisdiction. Sensys Gatso has not authorized any offer to the public of shares or rights in any member state of the EEA and no prospectus has been or will be prepared in connection with the Directed 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.

In the United Kingdom, this document and any other materials in relation to the securities described herein is only being distributed and directed to, and any investment or investment activity to which this document relates is available only to, and can only be used by, "qualified investors" who are (i) persons having professional experience in matters relating to investments and who fall within the definition of "investment professionals" in Article 19(5) of the British Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"); or (ii) high net worth individuals falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). In the United Kingdom, any investment or investment activity to which this communication relates is available only to, and will be engaged in only with, relevant persons. Persons who are not relevant persons should not take any action based on this press release nor act or rely on it.

Forward-looking statements

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 statements to reflect events that occur or circumstances that arise in relation to the content of this press release.

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.