

Press release

Date: May 17, 2018

IAR Systems Group proposes incentive program to strengthen the commitment of the employees and to support future growth

Uppsala, Sweden—May 17, 2018—The Board of IAR Systems Group AB announces its intention to present a proposal to the General Meeting to introduce an incentive program for all employees of the group, comprising IAR Systems and Secure Thingz. The incentive program is introduced to strengthen the commitment of the employees and make them part of the Company's future development also as owners. Considering the Company's future plans, the Board anticipates that the Company will need to carry out a number of recruitments in the near future. The Board expects that the incentive program will strengthen the Company's attraction as an employer and bring additional competence to the staff.

"We are off to a flying start in 2018 with product launches, a new strategic positioning and not least the acquisition of Secure Thingz. This is all made possible by the employees and of course we want to offer them the possibility to take part in the Company's future as owners", says Stefan Skarin, CEO, IAR Systems Group. "We have many faithful employees that have been part of our development for many years. The incentive program is a confirmation of our high ambition, and an opportunity to further strengthen the commitment among our employees."

Overview of the incitament program

- The incentive program covers all employees in the Group and consists of two types of options: warrants for employees employed in Sweden, and stock options for employees employed outside of Sweden. The warrants and the stock options will be performance based.
- The term for the program shall be approximately three years. The exercise price shall correspond to 120 per cent of the average volume-weighted price paid for the Company's class B- shares.
- Total number of warrants and stock options is 600,000 and if fully exercised corresponds to a dilution of approx. 4.2 per cent of the Company's share capital and approx. 4.0 per cent of the votes.
- The intention of the Board is to present proposal for similar incentive programs at future AGMs.
- An Extraordinary General Meeting will be held on June 15, 2018. For further details regarding the proposed incentive program, please refer to the notice to convene an Extraordinary General Meeting to be published shortly.

Ends

***Editor's Note:** IAR Systems, IAR Embedded Workbench, Embedded Trust, IAR Connect, C-SPY, C-RUN, C-STAT, IAR Visual State, IAR KickStart Kit, I-jet, I-jet Trace, I-scope, IAR Academy, IAR, and the logotype of IAR Systems are trademarks or registered trademarks owned by IAR Systems AB. All other product names are trademarks of their respective owners.*

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About IAR Systems

IAR Systems supplies future-proof software tools and services for embedded development, enabling companies worldwide to create the products of today and the innovations of tomorrow. Since 1983, IAR Systems' solutions have ensured quality, reliability and efficiency in the development of over one million embedded applications. The company is headquartered in Uppsala, Sweden and has sales and support offices all over the world. Since 2018, Secure Thingz, a provider of advanced security solutions for embedded systems in the IoT, is part of IAR Systems. IAR Systems Group AB is listed on NASDAQ OMX Stockholm, Mid Cap. Learn more at www.iar.com.