

10 October 2022

## **Global Technology giant Macnica takes strategic investment in icetana**

### **Highlights:**

- **Macnica, a > \$A1.8bn market cap global technology company acquires a strategic stake in icetana.**
- **The investment follows a strong working relationship in Japan, Brazil and Europe including securing one of the biggest estate companies in Japan as an icetana customer.**
- **Macnica will become the exclusive distributor of icetana in Japan and Brazil as well as a preferred distributor in other territories.**
- **The investment of US\$500k (A\$771k) secures a 14% stake in icetana at 2.7c, representing a 10% discount to the 15 day VWAP of 3.0c. Macnica becomes icetana's second largest shareholder following the placement of 28,538,324 shares.**
- **The investment will enable acceleration and expansion of icetana's commercialisation and distribution plans**

icetana Limited (ASX:ICE "icetana" or "the Company") a global software company providing artificial intelligence solutions to detect real-time anomalous events, is pleased to advise that it has entered into a binding placement agreement for an investment from Macnica Inc. ("Macnica"), a subsidiary of Macnica Holdings, Inc. (TYO: 3132).

The US\$500k (A\$771k) investment for new fully paid ordinary shares follows a two and a half year working relationship where Macnica's global sales team has won major customers with icetana including one of the biggest estate companies in Japan. Together with this investment, Macnica will receive enhanced distribution rights for Japan, Brazil and Europe.

Funds will be used to accelerate icetana's commercialisation activities and increasing global sales channels utilising Manica's very strong global distribution platform for the Company's motion intelligence software.

Macnica carried out thorough financial and legal due diligence ahead of the strategic partnership. The new investment was made at 2.7 cents representing a small discount of 10% to the 15 trading day volume weighted average price of 3.0 cents.

Chief Executive Officer Matt Macfarlane commented: "We have enjoyed an excellent relationship with the team from Macnica who have been deeply engaged in our product journey as well as actively positioning us in the crucial Japanese surveillance market. This investment underlines our commitment to

expand beyond Japan with Macnica and deepens the ties between our two companies.”

Keisuke Ito, President of Clavis company and Executive Officer at Macnica Holdings Inc added: “Macnica is a highly technical organisation and we are impressed with the icetana solution to real-time video surveillance challenges. We have worked over the past two years to develop opportunities in the Japanese market and observed strong engagement from a substantial number of large local operations. We see global potential for the product and this investment underscores our belief in the team to execute on their growth ambitions.”

Concurrent with the new investment, Macnica will be granted a period of distribution exclusivity over Japan and Brazil for the icetana product. The exclusivity will be renewed annually on the basis of agreed performance hurdles.

icetana believes this is a very strong and positive addition to our share register. icetana’s global plans have been further strengthened with this expanded relationship and future support for growth is more accessible with long-term corporately aligned shareholders such as Macnica.

#### **Material terms of commercial arrangements:**

- The subscription agreement is for US\$500k or A\$771k as at yesterday’s exchange rate, which represents 28,538,324 shares. The placement shares are issued pursuant to icetana’s placement capacity under ASX Listing Rule 7.1 (for 11,459,315 shares) and Listing Rule 7.1A (for 17,079,009 shares).
- In parallel to the investment, icetana has amended an existing Distribution Agreement with Macnica to provide exclusive rights in Japan and Brazil with minimum performance targets required to continue for up to three years:
  - Year 1: eight Proof of Concept installations and US\$50,000+ in net revenue to icetana.
  - Year 2: US\$350,000+ net revenue to icetana.
- Macnica will be appointed a non-exclusive icetana preferred distributor in Europe where a substantial Macnica sales presence exists. Preferred distributors receive referrals from icetana for enquiries from that territory.
- icetana will grant Macnica up to five years of service continuity in the event of a change of control transaction.

– ENDS –

Authorised for release by the Board of icetana Limited.

For further information contact:

#### **icetana Limited**

Matt Macfarlane  
Chief Executive Officer  
+61 400 605 960  
matt@icetana.com.au

## **About Macnica ( Macnica Holdings Inc. (TYO:3132))**

Since it was established in 1972, Macnica has provided leading-edge semiconductors, electronic devices, networks and cyber security products with high value-added technology. Macnica has been actively developing new businesses in the fields of AI, IoT, automated driving and robotics, based on its strength in global sourcing and strategic planning for world-leading technologies. With its slogan "Co.Tomorrowing", Macnica connects leading-edge technologies with 'Macnica' intelligence to provide unique services and solutions, creating social value and contributing to the betterment of future societies. Headquartered in Yokohama, Macnica's global business spans 24 countries/regions and 80 locations worldwide.

## **About icetana**

icetana Limited is a global software company providing video analytics solutions designed to automatically identify anomalous actions in real-time for large scale surveillance networks. Our software integrates with customers' existing video management systems and IP cameras.

Using artificial intelligence and machine learning techniques, the icetana motion intelligence solution learns and filters out routine motion, showing only anomalous or unusual behaviour and allowing operators to focus on events that matter and respond in real-time to both precursor activities and incidents. icetana has a broad range of use cases across a growing number of industry verticals. It has been implemented at over 60 sites on five continents, helping clients harness the rich data streams from their existing security networks and turning that data into improved situational awareness and deeper operational insights.