

## OTI Raises \$2.5 Million from Investors

ROSH PINA, Israel, Dec. 24, 2019 /PRNewswire/ -- [On Track Innovations Ltd.](#) (OTI) (OTCQX: OTIVF), a global provider of near field communication (NFC) and cashless payment solutions, today announced that on December 23, 2019, it entered into a share purchase agreement (the "Agreement") with Jerry L. Ivy, Jr. Descendants' Trust ("Ivy") and two other investors who are members of the Company's Board of Directors (the "Board"). The Agreement relates to a private placement of an aggregate of up to 12,500,000 ordinary shares of the Company at a purchase price of \$0.20 per share, for aggregate gross proceeds to the Company of up to \$2,500,000.

The initial closing of the private placement took place on December 23, 2019. At the initial closing, 6,500,000 shares were issued for aggregate gross proceeds to the Company of \$1,300,000. A subsequent closing (the "Subsequent Closing") for the remainder of the amount to be invested is subject to the Company obtaining approval of its shareholders to, among other things, an increase the authorized share capital of the Company.

In addition, under the terms of the Agreement and following the initial closing, the Board agreed to appoint one representative to the Board, designated by Ivy. An additional representative designated by Ivy will be appointed to the Board following the Subsequent Closing.

**Yehuda Holtzman, CEO of OTI commented:** "Mr. Ivy, together with two of our directors have shown this investment as a vote of confidence in OTI. We intend to use these funds to support OTI's growth."

The above-mentioned offering and sale of ordinary shares to be issued in the private placement are exempt from the registration requirements of the Securities Act of 1933, as amended (the "Securities Act"), pursuant to Section 4(a)(2) of the Securities Act and/or Rule 506(b) of Regulation D promulgated thereunder. The ordinary shares will not be registered under the Securities Act and may not be sold in the United States absent registration or an exemption from registration. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the ordinary shares in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

### About OTI

On Track Innovations (OTI) is a global leader in the design, manufacture and sale of secure cashless payment solutions using contactless NFC technology. OTI's field-proven innovations have been deployed around the world to address cashless payment and management requirements for automated retail and petroleum markets. OTI distributes and supports its solutions through a global network of regional offices and alliances. OTI is the proud recipient of the 2017 AI Award for Best Cashless Payment Solutions Provider – Israel. For more information, visit [www.otiglobal.com](http://www.otiglobal.com), the content of which does not form part of this press release.

### Safe Harbor for Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and other Federal securities laws. Whenever we use words such as "will," "expect," "look forward," "intend," "plan," "estimate" or similar expressions, we are making forward-looking statements. For example, we are using forward-looking statements when we discuss our expectations regarding the Company's continued growth, when we discuss the shareholders' approval required that would enable the Subsequent Closing. Because such statements deal with future events and are based on OTI's current expectations, they are subject to various risks and uncertainties and actual results, performance or achievements of OTI could differ materially from those described in or implied by the statements in this press release. The Subsequent Closing is subject to conditions, including the above-described shareholder approval, and may not be completed. Additional factors that could cause actual results to differ materially from those anticipated by our forward-looking statements are stated under the captions "Risk Factors" in our most recent Annual Report (Form 10-K) and other known and unknown uncertainties and risk factors including those detailed from time to time in the Company's filings with the Securities and Exchange Commission. Forward-looking statements are made as of the date of this release, and we expressly disclaim any obligation or undertaking to update forward-looking statements. The reader is cautioned not to place undue reliance on forward-looking statements.

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