

The Board of Directors of Irisity AB (publ) resolves on a fully guaranteed rights issue of shares of approximately SEK 26 million

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The board of Irisity AB (publ) ("Irisity" or the "Company") has today, October 3, 2025, in line with what was communicated through a press release on September 29, 2025, resolved on a new issue of 217,157,616 shares with preferential rights for the Company's existing shareholders (the "Rights Issue") subject to the subsequent approval by an extraordinary general meeting expected to be held on November 3, 2025. The Rights Issue is fully guaranteed through subscription and guarantee undertakings from the Company's main shareholder Stockhorn Capital AB ("Stockhorn"). Stockhorn has undertaken to subscribe for its pro-rata share corresponding to approximately 36.6 percent of the Rights Issue, and, in addition, has provided a guarantee commitment for the remaining part of the Rights Issue. The subscription price amounts to SEK 0.12 per share and the Company will receive approximately SEK 26 million before transaction costs and any set-off. The net proceeds from the Rights Issue, after set-offs against newly issued shares made for repayment of the previously communicated short-term loans from Stockhorn, and transaction costs, will be used to strengthen general working capital to continue executing the simplification program, realize efficiency improvements, and accelerate the shift toward recurring revenues.

Summary:

- The board of Irisity has today resolved on the Rights Issue subject to the subsequent approval by an extraordinary general meeting expected to be held on November 3, 2025.
- The convening notice to the extraordinary general meeting will be published through a separate press release.
- One (1) existing share in the Company entitles to one (1) subscription right. Ten (10) subscription rights entitle to the subscription of thirteen (13) newly issued shares. This means that a total of 217,157,616 new shares will be issued within the framework of the Rights Issue.
- The subscription price has been set at SEK 0.12 per share.
- Upon full subscription in the Rights Issue, Irisity will receive approximately SEK 26 million before transaction costs, which are estimated to amount to approximately SEK 0.5 million.
- The net proceeds, after set-offs against newly issued shares made for repayment of the previously communicated short-term loans from Stockhorn of SEK 10-23 million, and transaction costs, are intended to be used to further strengthen general working capital.
- The Rights Issue is fully guaranteed by subscription- and guarantee undertakings from Stockhorn. No fee will be paid for the guarantee undertaking. The guarantee undertaking is not secured by bank guarantee, pledge, or similar arrangements.
- The subscription period runs from November 5, up to and including November 19, 2025.
- Subscription rights that are not used during the subscription period will become invalid and lose their value. Trading in subscription rights is planned to take place on Nasdaq First North Growth Market from November 5 up to and including November 14, 2025. Trading in BTA (paid subscribed share) is planned to take place on Nasdaq First North Growth Market during the period from November 5 to around December 5, 2025.
- The Rights Issue entails a maximum dilution for existing shareholders who do not subscribe for shares in the Rights Issue of approximately 56.5 percent.
- Full terms of the Rights Issue and certain information about the Company will be presented in a disclosure document in accordance with Article 1.4 db of the Regulation (EU) 2017/1129 of the European Parliament and of the Council (the "**Prospectus Regulation**"). The disclosure

document, prepared in accordance with Annex IX to the Prospectus Regulation, is expected to be published on or around November 3, 2025.

Background and rationale

Irisity is a provider of AI-driven video analytics solutions, specializing in advanced software that transforms ordinary security cameras into intelligent detection systems while maintaining a strong commitment to privacy. Irisity's open AI platform enhances existing camera and video management systems by integrating a number of advanced AI and metadata-driven algorithms. With over 3,000 installations in more than 90 countries worldwide, customers rely on precise detection and real-time analysis.

To support ongoing operational development and strengthen the Company's financial position, Irisity is undertaking a fully guaranteed rights issue of approximately SEK 26 million. The net proceeds will provide the flexibility to continue executing the simplification program, realize efficiency improvements, and accelerate the shift toward recurring revenues. In addition, part of the proceeds will be used to offset the short-term bridge financing of recently provided by the Company's largest shareholder, Stockhorn, where the off-set amount will range from approximately SEK 10-23 million. The final sett-off amount will be determined on the amount of shares that will be allotted to Stockhorn in the Rights Issue.

Upon full subscription of the newly issued shares, the Company will receive net proceeds of approximately SEK 2.5-15.5 million, after deduction of set-offs of approximately SEK 10-23 million and transaction costs of approximately SEK 0.5 million. The final sett-off amount will be determined on the amount of shares that will be allotted to Stockhorn in the Rights Issue.

Provided that the Company delivers on expected sales volumes and continues to execute its cost-saving program of approximately SEK 40 million in annualized savings, the estimated net proceeds from the Rights Issue are expected to finance ongoing operations for at least the coming twelve months and support the Company's path to cash flow break-even in 2026. However, additional financing may be required if sales volumes are not achieved as planned, if customer payments are delayed, or if access to short-term credit facilities becomes limited. In such a case, the Board believes that the progress of the simplification plan will provide a stronger platform for raising capital on improved terms.

Terms of the Rights Issue, shares, share capital, and dilution

Those who are registered as shareholders in Irisity on the record date November 4, 2025 have preferential rights to subscribe for new shares in the Company in relation to their existing shareholding. Shareholders receive one (1) subscription right for each share held in the Company. Ten (10) subscription rights entitle to the subscription of thirteen (13) newly issued shares. Additionally, investors are offered the opportunity to apply for subscription of shares without the support of subscription rights.

The subscription price in the Rights Issue has been set at SEK 0.12 per share. Upon full subscription in the Rights Issue, the Company will receive SEK 26 million before set-offs and transaction costs.

If not all shares are subscribed for with the support of subscription rights, the board shall, within the framework of the Rights Issue's maximum amount, decide on the allocation of shares to those who have subscribed for shares without the support of subscription rights according to the following allocation principles:

- firstly, be allocated to those who have applied for subscription and subscribed for new shares by virtue of subscription rights, regardless if the subscriber was a shareholder on the record date or not, and in the event of oversubscription, in relation to the number of subscription rights each have exercised for subscription of new shares,
- secondly, shares are allocated to others who have applied for subscription of shares without exercising subscription rights, and in the event of oversubscription, in relation to the number of

new shares specified in the subscription application, and, to the extent that this is not possible, by drawing lots, and

- thirdly, to the guarantor that has contractually entered into a guarantee commitment.

Stockhorn currently holds shares and votes in the Company corresponding to 36.6 percent. The maximum shareholding that Stockhorn could attain, assuming no other party subscribes for shares in the Rights Issue, and Stockhorn thereby fulfils its commitments in full, is 72.5 percent of the shares and votes in the Company.

Total number of shares in the Company will increase by 217,157,616 shares, from 167,044,324 shares to 384,201,940 shares. The share capital will increase by SEK 19,544,185.44 from SEK 15,033,989.16 to SEK 34,578,174.60. Shareholders who choose not to participate in the Rights Issue will have their ownership diluted by approximately 56.5 percent.

Subscription of the new shares shall take place during the period November 5, up to and including November 19, 2025.

Trading in subscription rights is planned to take place on Nasdaq First North Growth Market from November 5 to November 14, 2025. Trading in BTA (paid subscribed share) is planned to take place on Nasdaq First North Growth Market during the period from November 5 to around December 5, 2025.

Disclosure document

Full terms of the Rights Issue and certain information about the Company will be presented in a disclosure document in accordance with Article 1.4 db of the Regulation (EU) 2017/1129 of the European Parliament and of the Council (the "**Prospectus Regulation**"). The disclosure document, prepared in accordance with Annex IX to the Prospectus Regulation, is expected to be published on or around November 3, 2025.

Subscription commitments and guarantee undertakings

The Rights Issue is fully covered from a subscription commitment and a guarantee undertaking by Stockhorn. No compensation is paid for either subscription commitment or the guarantee undertaking. Neither the subscription commitment nor the guarantee undertaking are secured by bank guarantee, escrow funds, pledging, or similar arrangements.

Advisors

Partner Fondkommission AB acts as Issuing Agent and Advokatfirman Vinge acts as Legal Advisor in connection with the Rights Issue.

For further information, please contact:

Gustav Zaar CFO and interim CEO, Irisity AB, gustav.zaar@irisity.com

This is information that Irisity AB (publ) is obliged to make public according to the EU's market abuse regulation. The information was submitted for publication, through the above contact person, at 19:00 CET on October 3, 2025.

About Irisity

Irisity's AI Open Platform enhances any camera and video management system by integrating a choice of advanced AI and video metadata management featuring hybrid architecture, built-in anonymization, and flexible deployment (on-premises, cloud, or hybrid). Globally trusted in over 3,000 locations, our platform delivers real-time, efficient, and precise data, augmenting human decisions to improve safety, operational efficiency and organizational intelligence.

The Irisity AB (publ) share is listed on Nasdaq First North Growth Market, with the ticker IRIS, the Company's Certified Adviser is DNB Carnegie Investment Bank AB.

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This press release is not a prospectus for the purposes of Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017 (the “**Prospectus Regulation**”) and has not been approved by any regulatory authority in any jurisdiction. A disclosure document prepared in accordance with Article 1.4 db and Annex IX of the Prospectus Regulation regarding the Rights Issue described in this press release will be prepared and published by the Company prior to the commencing of the subscription period.

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 Company. The information contained in this announcement relating to the Rights Issue is for background purposes only and does not purport to be full or complete. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy or completeness. 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 Rights Issue of the securities in the United States. The information in this press release may not be announced, published, copied, reproduced or distributed, directly or indirectly, in whole or in part, within or into the USA, Australia, Canada, Hong Kong, Japan, New Zealand, Singapore, South Africa, South Korea, Switzerland or in any other jurisdiction where such announcement, publication or distribution of the information would not comply with applicable laws and regulations or where such actions are subject to legal restrictions or would require additional registration or other measures than what is required under Swedish law. Actions taken in violation of this instruction may constitute a crime against applicable securities laws and regulations.

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Forward-looking Statements

This press release contains forward-looking statements that reflect the Company's intentions, beliefs, or current expectations about and targets for the Company's and the group's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company and the group operates. Forward-looking statements are statements that are not historical facts and may be identified by 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 and 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 that are expressly or implicitly contained herein speak only as of its date and are subject to change without notice. Neither the Company nor anyone else undertake 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, unless it is not required by law or Nasdaq First North Growth Market rulebook for issuers of shares.

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 offered shares 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 the Company may decline and investors could lose all or part of their investment; the shares in the Company offer no guaranteed income and no capital protection; and an investment in the shares in the Company 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 Rights 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 the Company. Each distributor is responsible for undertaking its own target market assessment in respect of the shares in the Company and determining appropriate distribution channels.