

Q2

Irisity AB (publ) Interim report

1 April – 30 June 2024



GEORG BERTS



KRISTOF SAULTS



BENNY JOHNSON

“Building the world leader in
security video analytics”

– Keven Marier, CEO

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This is a translation of the Swedish version of the interim report. When in doubt, the Swedish wording prevails.

www.irisity.com



01

The Group's Summary Of The Period



1 April – 30 June 2024

- Net sales amounted MSEK 25.8 (30.2).
- Work performed for own account amounted to MSEK 7.6 (6.3).
- Gross margin amounted to 75.2 percent (83.9).
- EBITDA amounted to MSEK -11.4 (0.3).
- Result after tax amounted to MSEK -43.7 (-28.6).
- Cash and available credit lines at the end of the period was MSEK 26,5 (10.9).
- MRR at the end of the quarter amounted to MSEK 4.3 (4.5).
- Invoicing amounted to 39.3 MSEK (18.7).

1 January – 30 June 2024

- Net sales amounted to MSEK 53.4 (57.7).
- Work performed for own account amounted to MSEK 14.9 (11.8).
- Gross margin amounted to 79.0 percent (83.9).
- EBITDA amounted to MSEK -14.7 (-5.1).
- Result after tax amounted to MSEK -71.7 (-65.1).

A word from the chairman

Dear Shareholders,

As the newly elected chairman of Irisity, I would like to firstly thank Ulf Runmarker, the outgoing chairman, for his leadership and commitment to Irisity's success over the past year. Secondly, I would like to welcome our new board members Lucas de Mendoza and Inna Kaushan. They are already making an impact with their many years of experience leading Ultinuous and several other technology and growth companies.

Continue the direction

The board believes in the strong focus on becoming cashflow positive, continuing the streamlining of innovation to customer segments and leveraging the generative AI software market opportunity, as well as setting up the company for future sustainable growth and value creation for shareholders.

Contributions to Irisity's next phase in growth

Being nominated and elected as the chairman of Irisity was an excellent opportunity to apply my past 20 years of experience in the software and security industries from Microsoft and Milestone Systems to contribute to Irisity's next phase of growth.

Solidifying the leadership team

One of the first decisions of the new board is to start the recruitment of a permanent CFO to work alongside the CEO and executive leadership team, supporting the plans to achieve positive cash flow.

Aligning people and culture

Another key area of focus is the importance of growing the people and company culture, facilitating cross company alignment and implementing empowered teams across development centers, with a global go-to-market organization.

Growing customer value and sales

Through Q2 and onwards the board continues to support the organizational streamlining, focusing R&D on key customer segments. This will enable the sales organization to create excellent customer value and achieve sales across segments, while maintaining balanced investments in future technologies.

The future is real-time

The future of video-based AI is rapidly transforming our customers' industries, and Irisity stands at the forefront of this revolution. The ability to analyze video footage in real time and derive actionable insights is not just a technological breakthrough but a paradigm shift in security and operational efficiency.

Our generative AI technologies are designed to open up many new customer use cases, tuned for accuracy and immediacy, enabling our clients to respond to events as they happen. This real-time capability is crucial in today's fast-paced world, where timely information can make all the difference.

Sincerely yours,

Bjørn Skou Eilertsen

Chairman of the board

Irisity AB (Publ)

2024-08-15



A word from the CEO

Commercializing Generative AI capabilities

First, let me start by welcoming the Ultinous team to Irisity group. With the closing of the Ultinous Zrt acquisition, we leap forward in our plans to grow our software sales by enabling Irisity's AI solutions, products and services with generative AI capabilities.

Ultinous makes positive Q2 sales impact

In June, Ultinous signed-up its second OEM security products manufacturer which will add Ultinous AI Suite and generative AI software to its existing products and customers. This was an important contract and continues to build on Irisity's OEM strategy, which is a key Irisity go-to-market growth area. This and our existing OEM agreements will increase both market reach and accelerate customer acquisition for Irisity group companies' software and services at a lower cost of sales.

Q2 increase of 110% year over year in customer invoicing

With the investments made in previous quarters in our sales and marketing organization we are seeing a very strong YoY increase in invoicing with existing customer support contract renewals and large project sales.

In Q2, we had a large percentage of software as a service, sales accruals, and software support agreements compared to new perpetual software licensing sales. This is the planned change in revenue mix to grow our MRR business which is crucial for long-term sustainable growth. As a consequence of this our Q2 net sales declined YoY by -14.4%.

Going forward we've decided to start publishing quarterly totals of customer invoicing and paid account receivables to provide a more granular order-to-cash commercial operational picture of our business.

Continued progress in streamlining R&D and service operations

In Q2, EBITDA was YoY lower because of this quarter's lower net sales, higher COGS and personnel costs. These personnel costs were higher because of employee severance costs, increased travel and the addition of the Ultinous employees. We expect to continue making progress in streamlining group operations and expect to lower personnel and operating cost over the coming quarters as previously stated, by 5-10%.

Prepared for Q3 generative AI software launch

With the addition of Ultinous's generative AI technology we have the people, products, services and solutions to address all AI security and safety software customer segments. In Q2, we invested into 12 events around the globe to demonstrate and gather feedback on the powerful video search and investigation capabilities enabled with Ultinous's generative AI technology. From airports to railways and law enforcement, the feedback from customers was universally very strong.

Our objective was to prepare for the Q3 launch and understand how best to commercialize generative AI software within the security and safety use-cases and to build sales momentum for launch. The first order was received for this capability as part of the new Ultinous OEM contract. Starting in August, we plan a sales campaign to enable our customers and partners to start preordering the new generative AI software and hardware equipment.

Welcome new chairman and board

Lastly, I am very happy for the nomination and election of Bjorn Skou Eilertsen as chairman and our new board members Lucas de Mendoza and Inna Kaushan from Stockhorn Capital.

Bjorn is a highly experienced executive of international software companies, having held both technical and commercial positions previously with Milestone Systems AS and Microsoft. His experience as CTO and VP of Milestone Systems AS brings significant security software R&D experience to the board. This combined with Lucas's and Inna's finance background and time as board members of Ultinous will help maximize the impact from the integration of Ultinous's people and technology.

With these additions to the board, we continue to strengthen the guidance and impact the board will have on Irisity's growth and future investments in generative AI hardware, software and cloud services.

Keven Marier

CEO

Irisity AB (Publ)

2024-08-15



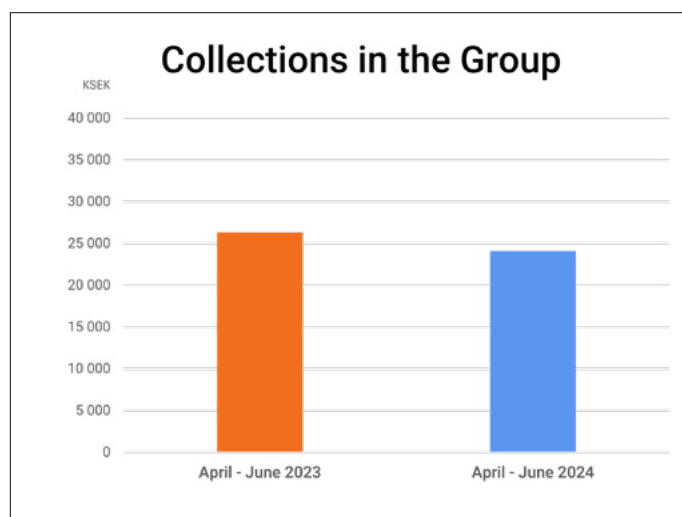
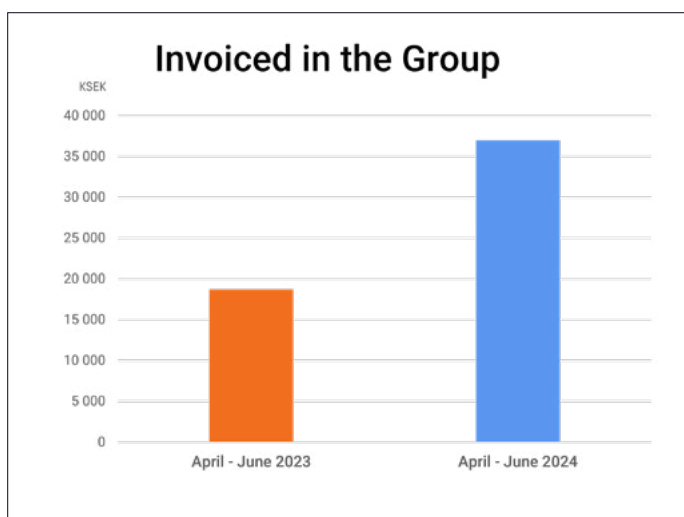


02

Sales & Results

Sales and results in the Group (KSEK)

Sales and results in the Group (KSEK)	April - June 2024	April - June 2023	January - June 2024	January - June 2023
Net sales	25,825	30,166	53,411	57,677
Work performed for own account	7,640	6,257	14,874	11,785
Other operating income	3,630	3,027	10,781	3,375
EBITDA	-11,367	349	-14,695	-5,113
EBIT	-42,485	-30,441	-75,468	-65,058
Operating margin %	neg	neg	neg	neg
Result after financial items	-43,669	-31,461	-77,414	-66,715
Result for the period	-40,732	-28,588	-71,711	-61,049
Earnings per share	-0.62	-0.75	-1.09	-1.59



Irisity in brief

Irisity is a leading provider of AI-powered video analytics solutions. We develop innovative software upgrading ordinary security cameras to intelligent detection devices, while safeguarding personal privacy. Irisity currently serve customers in more than 90 countries and has active presence in Sweden, USA, Israel, Hungary, Singapore, UAE, Australia, Argentina, Brazil, Mexico, Colombia and UK. We operate through a network of resellers, partners, OEMs, Central Monitoring providers (security companies) and camera manufacturers globally.

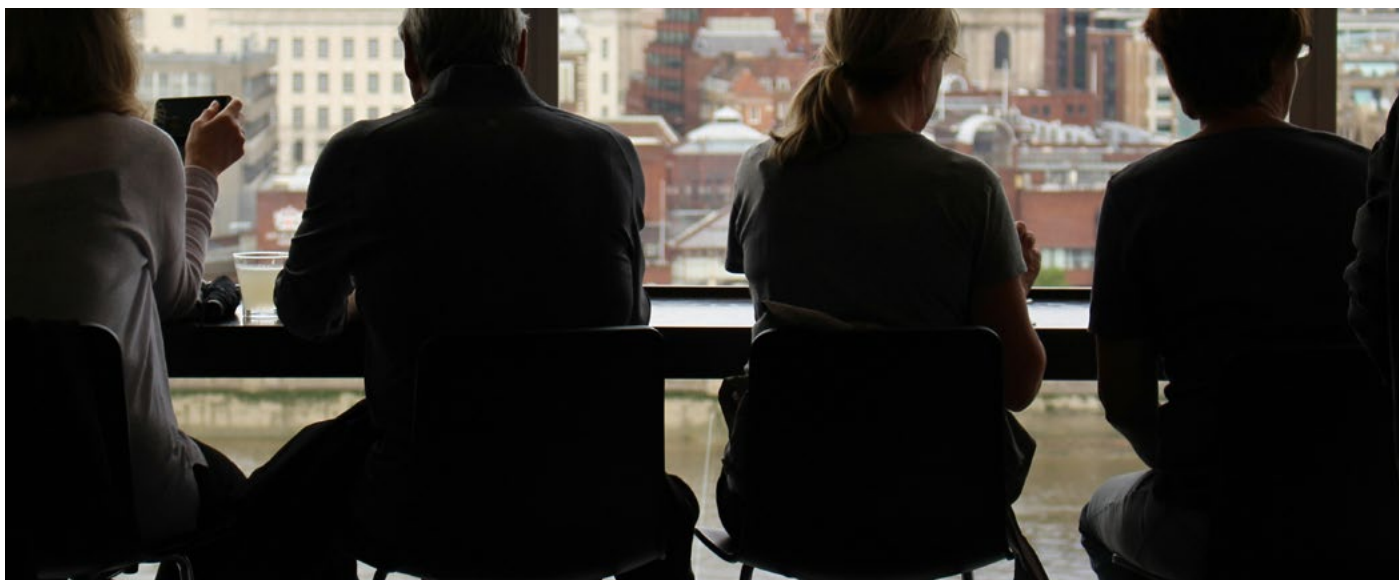
Products and services

Irisity's technology safeguards people and assets by detecting incidents in real time. This includes the detection of events such as intrusions, trespassing, flames, violence, falls, and unattended objects, as well as rapid search and analysis of recorded video, and extraction of statistical data. Irisity ensures ethical guarding without infringement on personal privacy by offering all functionality with patented real-time anonymization technology.



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Share & Ownership



The ten major owners, 2024-06-30:

Shareholders	Number of shares	Ownership interest
Stockhorn Capital AB	16,160,874	24.6%
Försäkringsaktiebolaget Avanza Pension	7,475,901	11.4%
Aktiebolaget Westergyllen	3,695,900	5.6%
Sun Red Beach Growth Partners ApS	3,127,608	4.8%
THE BANK OF NEW YORK MELLON, W9	3,016,220	4.6%
Chalmers Innovation Seed Fund AB	2,444,634	3.7%
RUNMARKER ULF	2,400,000	3.7%
Hans Andersson Holding AB	1,300,000	2.0%
PERNINGER BO	1,098,000	1.7%
Witte Lars	709,578	1.1%
The ten major shareholders in total	41,428,715	63.2%
Others	24,157,586	36.8%
Total	65,586,301	100.0%

Number of shares

Irisity AB (publ) has 65,586,301 shares outstanding as of June 30, 2024.

Shares: 65,586,301
 BTA*: 1,643,635
Total: 67,229,936

* Ongoing increase of share capital through new share issue.

Ownership

Irisity AB (publ), org. nr./Reg. No. 556705-4571 is a public company listed on Nasdaq First North Growth Market under the ticker IRIS. The shareholder overview describes the situation as of June 30, 2024, when 5,656 shareholders were registered.

Expected future development, key risks and uncertainty factors

The Company's significant risk and uncertainty factors include operational risks such as risks related to market and technology development, patents, competitors, interest rates, currency and future financing, as well as securities-related risks, such as risks related to share performance, volatility and liquidity.

The company is expanding internationally and with larger projects, there is also a tendency for longer project time,

longer invoicing cycle and extended payment periods that require more working capital.

Investors are urged to make their own assessment of each risk factor and their respective impact on the group's future potential. The above-mentioned risk factors are presented in no order of importance, and the list should not be regarded as exhaustive.

Liquidity and financing

The company's greatest risk lies in liquidity and the possibility of raising capital. Recession and the market's risk appetite make the opportunities to raise new capital more challenging. Despite the more difficult market situation, the company has carried out several successful capital raisings, which shows a strong existing ownership base.

Staff

The company is strongly dependent on its specialist-competence, where the risks primarily are connected to staff turnover. Creativity and competence of staff are crucial to continue developing a competitive product.

Recruitment of new personnel is also a key factor for success.

Changes in political conditions or relations between countries may affect the working conditions of foreign employees.

Credit and counterparty risk

Credit and counterparty risk refers to the risk that a counterparty cannot fulfill its obligations, such as the provision of liquidity or payment. Irisity has a large variety of customers, both public and private businesses, directly to end customers and via partners, which spreads the risk. The international expansion increases the risk due to uncertainties in different countries.

Currency

Currency risk refers to the risk of a negative impact on the income statement, balance sheet and cash flow due to changes in exchange rates. The company's global expansion and increased sales, primarily in USD, increases the currency risk.

Regulatory landscape

The industry is facing increasing regulatory requirements related to cybersecurity and artificial intelligence. In the United States, the Executive Order 14028 mandates self-attestation of secure software development practices by September 2024. In the EU, the NIS2 Directive indirectly affects the company through supply chain requirements, necessitating robust cybersecurity measures to meet the standards of Essential and Important Entities. Additionally, the upcoming EU AI Act will require efforts in risk assessment, documentation, and compliance, with substantial fines for non-compliance.



Incentive scheme

During the AGM 2022, a resolution was passed to adopt a long-term incentive program aimed at senior executives and key individuals within Irisity. The rationale behind this incentive program is multifaceted, aiming to enhance heightened motivation and commitment among employees, while retaining top talent. To facilitate the incentive program, the AGM approved a directed issue of up to 470,000 warrants.

Based on the outstanding number of shares, upon exercise of all 470,000 warrants, the Warrant Program 2022 will result in a maximum increase in share capital of SEK 42,300 and a corresponding maximum dilution of approximately 1.23 percent.

Disclosure of significant events after the end of the period

No significant events.

Accounting policies

The interim financial report is prepared in accordance with recommendations and statements from the Swedish Accounting Standards Board, as well as from the Swedish Annual Accounts Act. The accounting policies applied in this interim report are the same as those used in the most recent annual report and they are uniform for both the Group and for the Parent Company. Goodwill arising from the acquisition of Visionists AB and Ultinous Zrt is depreciated over a period of 5 years, while goodwill arising from the acquisition of Agent Video Intelligence Ltd. is depreciated over a period of 8 years.

The financial results and positions of the Group and the Parent Company are outlined in the income statement and balance sheet provided below.

Related party transactions

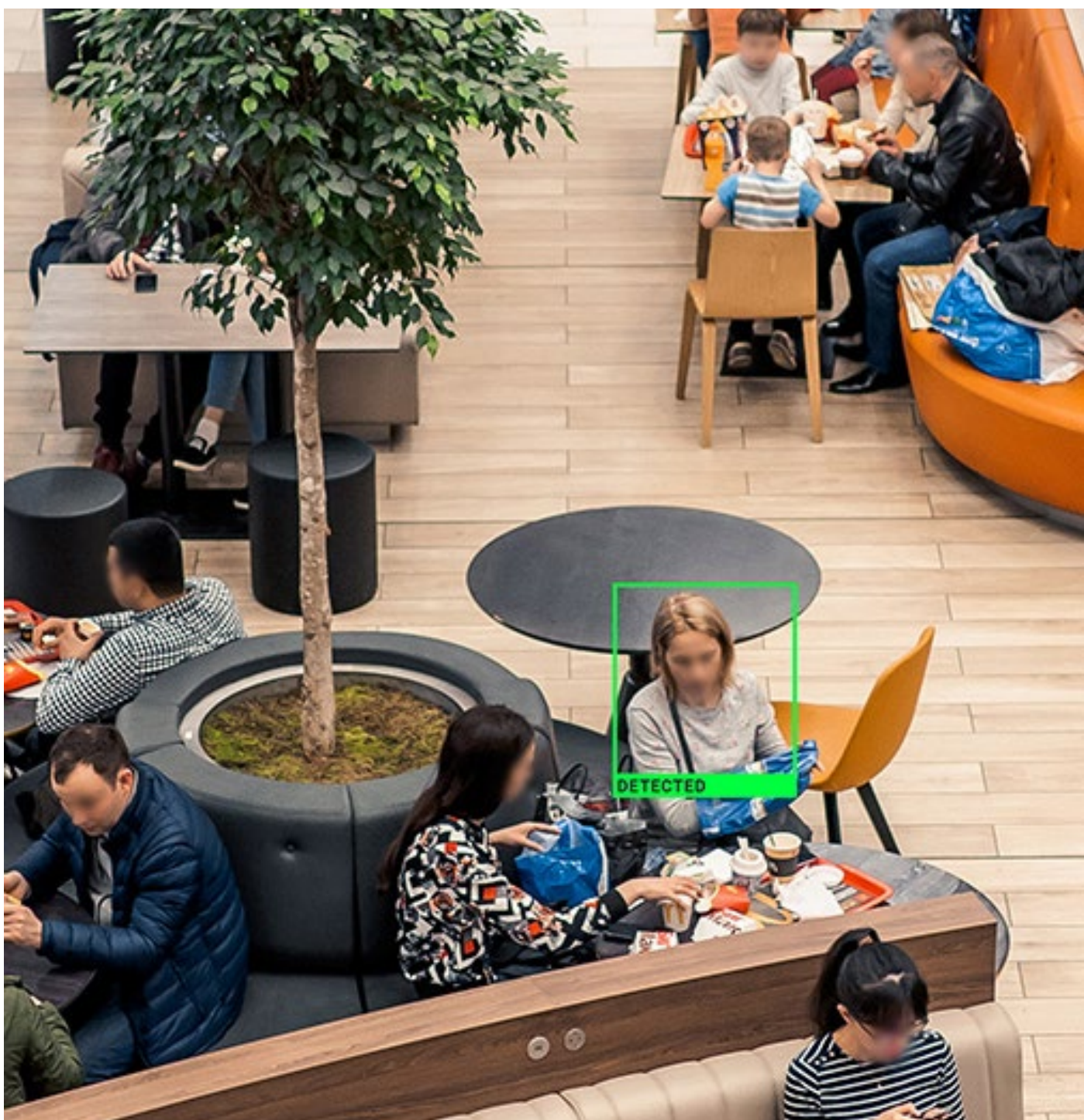
Transactions with related parties took place in 2024 from the parent company Irisity AB (Publ). The Parent Company has purchased advisory consulting services for MSEK 0.4 from Airstream Enterprise Capital AB, which is owned by board member Marcus Bäcklund. During 2024, the company has taken two loans from companies in which a board member holds significant ownership. The company has a loan of SEK 15 million from Stockhorn Capital AB which has a connection to Inna Kaushan, and another loan of SEK 1.6 million from Eddgar Holding AB to which Anders Trygg has a connection.

True and fair view

The Managing Board has mandated the CEO to publish the report. The Managing Board and the CEO confirm that this report provides a true and fair view of the Group's operations, position and performance, and describes material risks and uncertainties faced by the Group.

Other information

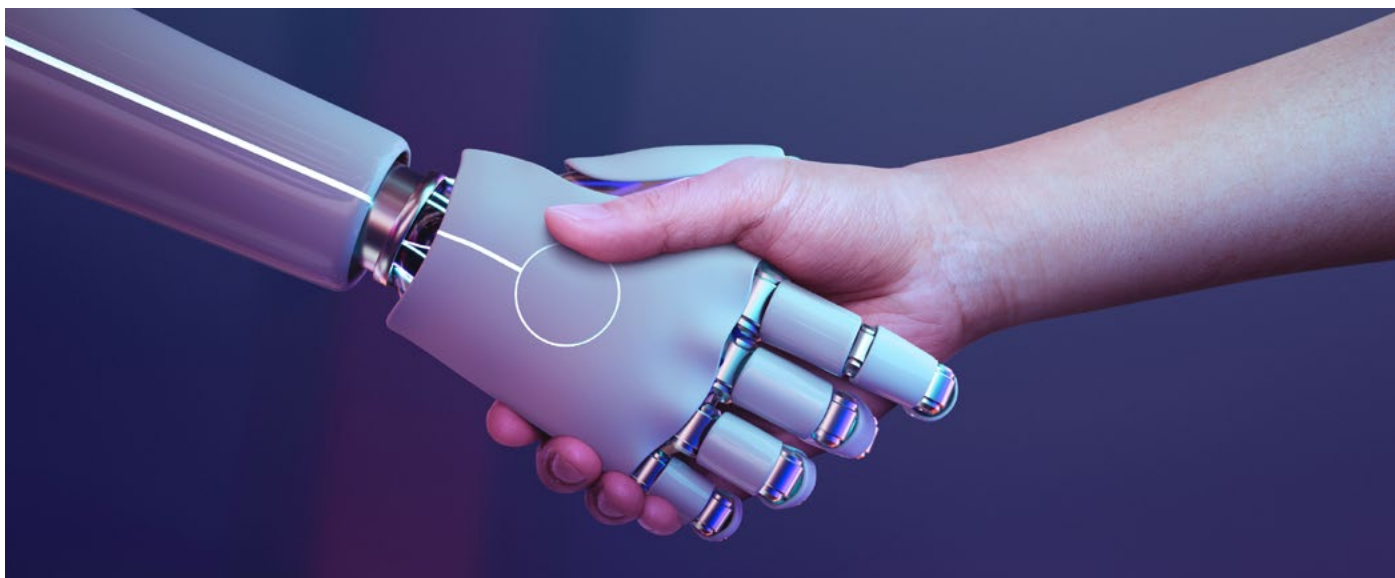
This report has not been reviewed by the company's auditors.





04

Financial Overview



Net sales and result

The Group's net sales for the quarter amounted to MSEK 25.8 (30.2) and work performed for own account totalling MSEK 7.6 (6.3).

EBITDA for the quarter stood at MSEK -11.4 (0.3) and the result after tax amounted to MSEK -40.7 (-28.6).

Depreciation charges of MSEK -31.1 (-30.8) are mainly related to goodwill arising from the acquisitions of Visionists AB, Ultinous Zrt and Agent Video Intelligence Ltd., as well as amortizations attributable to capitalized development work.

Investments

During the second quarter, the group made investments in three areas. These were enterprise solutions, central monitoring and generative AI. Within the enterprise solution product IRIS+ the team finalized the completion of R2 which includes key new features such as the data insights dashboards, crowd counting and search for similar person. This is schedule to launch in beginning of Q3. Within the central monitoring and remote guarding, the teams delivered a new product focused on highly accurate remote monitoring and alarm filtering. The new remote monitoring and alarm filtering service requires no on-premises hardware and will start customer testing over the summer. Lastly, the Ultinous team has released the first version of the new generative AI platform. This first version was delivered to our new OEM which is planning for a launch in Q3.

Financial position

The Group's cash flow from operating activities before changes in working capital amounted to MSEK -12.7 (3.8) during the second quarter. The cash flow from operating activities was MSEK -13.4 (-10.0).

During the same period, the cash flow from investing activities amounted to MSEK -10.3 (-7.7), mainly related to product development. For further explanation, it is described in more detail under the Investments section.

Cash flow from financing activities was MSEK 22.1 (14.5), which is largely attributable to the new share issue.

The cash flow for the period amounted MSEK -1.7 (-3.1).

The balance sheet total amounted to MSEK 808.2 (864.7) on June 30, 2024, with an 84.2 percent (82.6) solidity. The Groups' net debt amounted to MSEK 21.1 (28.1). The Parent Company has short term credit facility up to MSEK 20 in total, which on the balance sheet date was used with MSEK 0,1.

In addition to the credit facility the business mortgages consist of two loans to DBT Capital of MSEK 15 and MSEK 5, which per 2024-06-30 is fully repaid and DBT Capital will release the mortgages. The loan from Stockhorn Capital AB of 15 MSEK received in Q1 is registered as the corporate mortgage.

Staff and organization

At the end of the period, the company had 91 (76) full-time equivalent employees, 22 (22) of whom were women. In addition to the employees, the number of consultants increased 12 (11). The increase in consultants is directly linked to the increased global presence. The increase in Q2 2024 is due to the acquisition of Ultinous. The workforce is distributed across Sweden, Denmark, Hungary, USA, Israel, Singapore, UAE, Brazil, Colombia and Argentina, Australia, UK, and Mexico.



The group's income statement (KSEK)

The group's income statement (KSEK)	April - June 2024	April - June 2023	January - June 2024	January - June 2023
Net sales	25,825	30,166	53,411	57,677
Work performed for own account	7,640	6,257	14,874	11,785
Other operating income	3,630	3,027	10,781	3,375
Cost of sales	-6,409	-4,849	-11,190	-9,306
Gross result	30,685	34,603	67,877	63,530
Other external charges	-7,829	-9,009	-18,213	-17,687
Personnel costs	-29,852	-24,312	-58,048	-49,328
Other operating costs	-4,371	-932	-6,311	-1,629
Depreciation of tangible and intangible assets	-31,126	-30,790	-60,773	-59,945
Operating results	-42,493	-30,441	-75,468	-65,059
Interest income	2	2	4	0
Interest costs	-1,185	-1,021	-1,951	-1,659
Result after financial items	-43,676	-31,461	-77,414	-66,715
Income taxes	2,944	2,873	5,702	5,666
Net profit or loss for the period	-40,732	-28,588	-71,711	-61,049

Basic earnings per share (SEK)	-0.62	-0.75	-1.09	-1.59
Diluted earnings per share (SEK)	-0.62	-0.75	-1.09	-1.59
Number of shares at the end of the period	65,586,301	38,302,328	65,586,301	38,302,328
Fully diluted shares outstanding	65,586,301	38,302,328	65,586,301	38,302,328
Weighted average number of shares	52,475,610	38,302,328	50,861,739	38,302,328

The group's balance sheet (KSEK)

THE GROUP'S BALANCE SHEET (KSEK)	30-Jun 2024	30-Jun 2023	31-Dec 2023
Assets			
Intangible fixed assets	411,794	444,276	382,720
Patent	238	256	267
Goodwill	255,253	299,338	246,410
Tangible fixed assets	1,761	10,184	1,760
Deferred tax assets	39,401	40,105	37,114
Total fixed assets	708,445	794,159	668,271
Accounts receivable	34,519	16,694	26,767
Other current assets	58,661	47,301	51,509
Cash and bank balances	6,621	6,571	13,643
Total current assets	98,966	70,566	91,919
Total assets	808,247	864,725	760,190
Equity and liabilities			
Share capital	6,051	3,447	4,431
Other contributed capital	998,649	868,175	922,072
Other equity including result for the period	-324,035	-157,269	-294,854
Total equity	680,666	714,354	631,649
Long-term liabilities	28,708	40,647	22,919
Deferred tax liabilities	53,382	59,426	53,555
Short-term financial liabilities	1,691	6,000	7,935
Accounts payable	9,337	8,750	5,708
Other short-term liabilities	34,464	35,550	38,423
Total short-term liabilities	45,491	50,300	52,067
Total equity and liabilities	808,247	864,725	760,190
Pledged assets			
Business mortgages	55,000	40,000	40,000
Total	55,000	40,000	40,000
Contingent liabilities	None	None	None

The group's changes in equity (KSEK)

The group's changes in equity (KSEK)	Share capital	Other contributed capital	Other equity including result for the period	Total
Opening balance equity 2023-01-01	3,447	868,175	-132,550	739,072
Transactions with owners				
New share issue	983	55,531		56,514
Costs attributable to the issue		-1,635		-1,635
Conversion difference			-29,773	-29,773
Result for the period			-132,530	-132,530
Closing balance equity 2023-12-31	4,430	922,071	-294,853	631,648

Opening balance equity 2023-01-01	3,447	868,175	-132,550	739,072
Conversion difference			36,331	36,331
Result for the period			-61,049	-61,049
Closing balance equity 2023-06-30	3,447	868,175	-157,268	714,354

Opening balance equity 2024-01-01	4,430	922,071	-294,853	631,648
Transactions with owners				
New share issue	810	44,190		45,000
Non cash share issue	810	33,840		34,650
Costs attributable to the issue		-1,452		-1,452
Conversion difference				42,531
Result for the period			-71,712	-71,712
Closing balance equity 2023-06-30	6,050	998,649	-324,034	680,665

The group's cash flow statement (KSEK)

The group's cash flow statement (KSEK)	April - June 2024	April - June 2023	January - June 2024	January - June 2023	January - December 2023
Cash flow from operating activities before change in working capital	-12,733	3,789	-18,694	-5,633	-17,364
Cash flow from operating activities	-13,443	-9,997	-26,110	-16,550	-42,710
Cash flow from investing activities	-10,334	-7,672	-19,208	-14,189	-26,936
Cash flow from financing activities	22,096	14,547	38,412	19,547	63,158
Cash flow for the period	-1,682	-3,122	-6,906	-11,192	-6,488
Cash and cash equivalents at the beginning of the period	6,758	9,818	13,642	17,580	17,580
Exchange rate difference in cash equivalents	1,543	-125	-116	183	2,551
Cash and cash equivalents at the end of the period	6,621	6,571	6,621	6,571	13,643



The parent company's income statement (KSEK)

The parent company's income statement (KSEK)	April - June 2024	April - June 2023	January - June 2024	January - June 2023
Net sales	4,909	18,217	10,939	34,285
Work performed for own account	2,648	2,636	5,020	4,759
Other operating income	3,617	3,020	10,759	3,355
Cost of sales	-2,831	-4,537	-4,704	-6,277
Gross profit	8,343	19,335	22,015	36,123
Other external charges	-3,837	-6,874	-11,032	-14,165
Personnel costs	-15,683	-11,429	-31,032	-22,802
Other operating cost	-4,339	-932	-6,251	-1,629
Depreciation of intangible assets	-3,007	-2,866	-5,941	-5,624
Operating result	-18,524	-2,766	-32,241	-8,095
Interest income	0	1	2	2
Interest costs	-1,164	-1,021	-1,929	-1,658
Profit after financial items	-19,688	-3,786	-34,170	-9,752
Net profit or loss for the period	-19,688	-3,786	-34,169	-9,752

The parent company's balance sheet (KSEK)

The parent company's balance sheet (KSEK)	30 June 2024	30 June 2023	31 December 2023
Assets			
Intangible fixed assets	53,098	56,039	53,971
Tangible fixed assets	224	268	271
Financial fixed assets	530,046	630,501	493,828
Deferred tax assets	0	50,240	0
Receivables from Group companies	73	0	69
Total fixed assets	583,441	737,048	548,138
Accounts receivable	14,062	3,898	13,392
Receivables from Group companies	73,525	17	63,295
Other current assets	34,274	40,050	39,078
Cash and bank balances	1,037	236	928
Total current assets	122,898	44,201	116,694
Total assets	706,339	781,249	664,832

Equity and liabilities			
Restricted equity	58,911	59,238	58,135
Non-restricted equity	588,529	656,345	545,276
Total equity	647,440	715,583	603,411
Long-term liabilities			
Long-term liabilities	15,000	28,677	15,343
Short-term financial liabilities	1,691	6,000	7,935
Advance from customer	406	872	311
Accounts payable	6,104	4,938	4,206
Liabilities to group companies	12,799	5,438	11,722
Other short-term liabilities	22,900	19,740	21,904
Total current liabilities	43,899	36,989	46,078
Total equity and liabilities	706,339	781,249	664,832

Pledged assets			
Business mortgages	55,000	40,000	40,000
Total	55,000	40,000	40,000

Contingent liabilities	None	None	None
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The parent company's changes in equity (KSEK)

	Share capital	Fund for development costs	Share premium reserve	Retained earnings	Result for the period	Total
Opening balance equity 2023-01-01	3,447	57,205	868,175	-162,058	-38,994	727,775
Change in fund for development costs		-3,501		3,501		0
New share issue	983		55,531			56,514
Issuance cost			-1,635			-1,635
Transfer of previous year's result				-38,994	38,994	0
Result for the period					-179,244	-179,244
Closing balance equity 2023-12-31	4,430	53,704	922,071	-197,551	-179,244	603,410

Opening balance equity 2023-01-01	3,447	57,205	868,175	-162,058	-38,994	727,775
Change in fund for development costs		-1,415		1,415		0
Transfer of previous years's result				-38,994	38,994	0
Result for the period					-12,193	-12,193
Closing balance equity 2023-06-30	3,447	55,790	868,175	-199,637	-12,193	715,582

Opening balance equity 2024-01-01	4,430	53,704	922,071	-197,551	-179,244	603,410
Change in fund for development costs		-843		843		0
New share issue	810		44,190			45,000
Non cash issue	810		33,840			34,650
Costs attributable to the issue			-1,452			-1,452
Transfer of previous years's result				-179,244	179,244	0
Result for the period					-34,168	-34,168
Closing balance equity 2024-06-30	6,050	52,861	998,649	-375,952	-34,168	647,440

The share capital consists of 67229936 shares, each with a quota value of SEK 0.09.

The parent company's cash flow statement (KSEK)

	April - June 2024	April - June 2023	January - June 2024	January - June 2023	January - December 2023
Cash flow from operating activities before change in working capital	-16,680	1,142	-29,915	-4,911	-26,833
Cash flow from operating activities	-15,433	-6,758	-30,263	-18,606	-64,981
Cash flow from investing activities	-2,648	-9,154	-5,020	-11,970	-10,041
Cash flow from financing activities	19,075	13,019	35,392	18,019	63,158
Cash flow for the period	993	-2,894	108	-12,557	-11,865
Cash and cash equivalents at the beginning of the period	43	3,130	928	12,794	12,793
Exchange rate difference in cash equivalents	0	0	0	0	0
Cash and cash equivalents at the end of the period	1,037	236	1,037	236	928



05

Sustainability

Irisity sustainability – Smart @ Heart

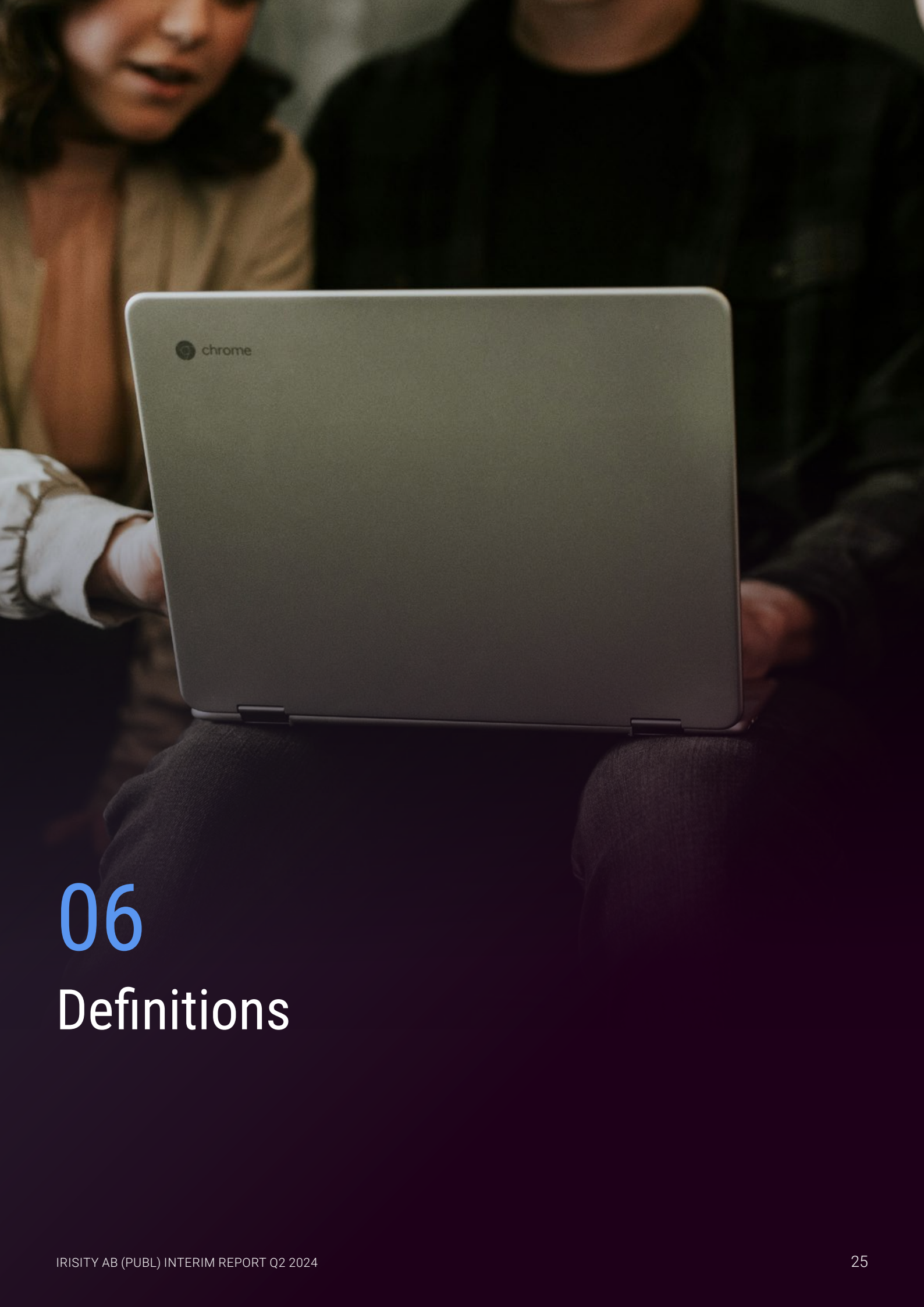
We create safe cities, safe working environments – protecting assets and people by delivering sustainable solutions through products, services and operations.

We cultivate a corporate culture based on freedom and responsibility, a positive people culture with fairness and equality and gender balance.

We want to inspire and drive change, with the ambition to enable the security industry and society to change making the most out of intelligent technology.

Technology in service of mankind, enabling ethical use of advanced video analytics solutions, making the most out of intelligent technology, while preserving integrity, equality and freedom.





06

Definitions

Definitions

Invoiced

The total amount of invoices that have been created and sent out during a period.

Operating results

Profit or loss before financial items.

Operating margin (percent)

Operating result divided by net turnover (since the operating margin is calculated in accordance with the definition of net turnover in the annual accounts act, work performed for own account is not included in the margin calculation).

Solidity (percent)

Adjusted equity capital in relation to the balance sheet total, expressed in percent.

Balance sheet total

The total of assets or the total of debts and equity.

Net debt

Interest-bearing liabilities less interest-bearing assets and liquid assets.

Number of shares (ST)

The number of outstanding shares at the end of the period.

Result per share (SEK)

The result after taxes for the period divided by the number of shares.

The object

The object refers to the physical location where a client has installed irisity's surveillance solution. A municipality may for instance use the system in a number of schools. Each school would then be considered a separate object.

MRR

Monthly recurring revenue.

R&D

Research and development.

Payment model

Depending on their needs, the company's customers can choose between the following payment models :

- Licensing – the customer pays a continuous fee for the service
- One-time purchase – the customer purchases a version of a specific algorithm of the software
- Support subscription – the customer pays a continuous support fee in respect of the service connected to the licenses.

Adjusted EBITDA

Ebitda adjusted for items affecting comparability.



07

Financial Calendar

Publication dates for interim reports

2024-11-14 Interim report 3

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This information is information that Irisity AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, at 08:00 CET on August 15, 2024.

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