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# Captivision Accelerates Strategic Transformation Featuring Asset-Light Focus

## Company Explores Strategic Options for Korean Subsidiary to Redirect Resources Toward High-Growth LED Solutions and digiLED Partnership

MIAMI, Aug. 07, 2025 (GLOBE NEWSWIRE) -- [Captivision Inc.](#) ("Captivision" or the "Company") (NASDAQ: CAPT), a pioneering manufacturer and global LED solution provider, today announced a comprehensive strategic transformation (the "Transformation") designed to optimize capital allocation and accelerate growth in high-value LED solutions markets. As part of this transformation, the Company is exploring strategic options for its wholly owned Korean subsidiary, including divestiture, strategic combination, and restructuring, while transitioning to a more streamlined, asset-light operational model.

### Strategic Portfolio Optimization

Following an extensive strategic review, Captivision's management has determined that the Korean operations, while historically part of the company's manufacturing base, represent a legacy business structure that diverts significant capital and management resources from the Company's core high-growth opportunities.

### Transformational Growth Opportunities

Captivision's Transformation enables the Company to capitalize on significant market opportunities:

- **Sports and Entertainment LED Solutions:** The global sports LED display market is experiencing rapid growth, driven by venue modernization and enhanced fan experiences. The Company's relationships with decision makers and digiLED partnership provide direct access to premier venues and events.
- **Commercial LED Applications:** Growing demand for energy-efficient, high-resolution LED solutions in retail, corporate, and public spaces represents a substantial addressable market.
- **Technology Innovation:** An asset-light model enables increased investment in R&D and cutting-edge LED technologies that drive premium pricing and customer loyalty.

"Today marks a pivotal moment in Captivision's evolution from a traditional manufacturing-focused company to a high-growth, asset-light LED solutions provider," **said Gary Garrabrant, CEO of Captivision.** "Our strategic review identified that legacy operations were constraining our ability to fully capitalize on transformational opportunities such as our digiLED partnership and the rapidly expanding sports and entertainment LED market."

### Asset-Light, High-Growth Strategy

The Transformation reflects Captivision's commitment to an asset-light business model that prioritizes innovation, customer solutions, and market expansion over traditional manufacturing infrastructure. This approach allows the Company to:

- Focus management and capital resources on high-margin, technology-driven solutions
- Accelerate expansion in sports, entertainment, and commercial LED applications
- Reduce operational complexity and improve return on invested capital
- Enhance agility in responding to market opportunities

"Our recently announced venture with digiLED and Canary Wharf Group exemplifies the high-value partnerships representing our future," **Garrabrant continued**. "These relationships allow us to leverage our expertise and technology without the capital intensity of traditional manufacturing operations."

### **Financial and Operational Benefits**

The Transformation is expected to deliver multiple benefits:

- Improved Capital Efficiency: Redirecting resources from legacy operations to high-return opportunities
- Enhanced Margins: Focus on technology and solutions rather than capital-intensive manufacturing
- Reduced Complexity: Streamlined operations enabling faster decision-making and execution
- Stronger Balance Sheet: Optimized capital structure supporting growth investments

### **Forward-Looking Execution**

The Company expects to complete its evaluation of strategic options for the Korean subsidiary over the coming quarters while continuing to advance its core LED solutions business and digiLED partnership.

"This transformation reflects our confidence in Captivision's technology capabilities and market position," **Garrabrant concluded**. "By focusing our resources on what we do best – delivering innovative LED solutions to high-value markets – we're positioning Captivision for sustainable, profitable growth."

### **Auditor Transition**

UHY LLP has resigned as the Company's independent auditor. The Company is actively engaged in selecting a replacement audit firm. Seoul-based KPMG Samjong Accounting Corp. will continue providing accounting services to support the Company's ongoing financial reporting requirements during this transition.

### **About Captivision**

Captivision is a pioneering manufacturer and global LED solution provider, a leading innovator in digital display technology and immersive media. At the forefront of media architecture, Captivision has developed breakthrough media glass technology, fusing IT building materials with architectural glass to create transparent, high-performance digital canvases. This cutting-edge product enables real-time streaming and content delivery on

any glass façade, transforming ordinary surfaces into dynamic storytelling platforms. Captivision is fast becoming a solution provider across the LED product spectrum. Captivision's media glass and solutions have been implemented in hundreds of locations globally across sports stadiums, entertainment venues, casinos and hotels, convention centers, office and retail properties and airports. Learn more at <http://www.captivision.com/>.

### **Cautionary Note Regarding Forward-Looking Statements**

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, as amended. These forward-looking statements include, without limitation, statements relating to expectations for future financial performance, business strategies, or expectations for the Company's respective businesses. These statements are based on the beliefs and assumptions of the management of the Company. Although the Company believes that its plans, intentions and expectations reflected in or suggested by these forward-looking statements are reasonable, it cannot assure that it will achieve or realize these plans, intentions or expectations. These statements constitute projections, forecasts, and forward-looking statements, and are not guarantees of performance. Such statements can be identified by the fact that they do not relate strictly to historical or current facts. When used in this press release, words such as "believe", "can", "continue", "expect", "forecast", "may", "plan", "project", "should", "will" or the negative of such terms, and similar expressions, may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking.

The risks and uncertainties include, but are not limited to: (1) the ability to raise financing in the future and to comply with restrictive covenants related to indebtedness; (2) the ability to realize the benefits expected from the business combination and the Company's strategic direction; (3) the significant market adoption, demand and opportunities in the construction and digital out of home media industries for the Company's products; (4) the ability to maintain the listing of the Company's ordinary shares and warrants on Nasdaq; (5) the ability of the Company to remain competitive in the fourth generation architectural media glass industry in the face of future technological innovations; (6) the ability of the Company to execute its international expansion strategy; (7) the ability of the Company to protect its intellectual property rights; (8) the profitability of the Company's larger projects, which are subject to protracted sales cycles; (9) whether the raw materials, components, finished goods, and services used by the Company to manufacture its products will continue to be available and will not be subject to significant price increases; (10) the IT, vertical real estate, and large format wallscape modified regulatory restrictions or building codes; (11) the ability of the Company's manufacturing facilities to meet their projected manufacturing costs and production capacity; (12) the future financial performance of the Company; (13) the emergence of new technologies and the response of the Company's customer base to those technologies; (14) the ability of the Company to retain or recruit, or to effect changes required in, its officers, key employees, or directors; (15) the ability of the Company to comply with laws and regulations applicable to its business; and (16) other risks and uncertainties set forth under the section of the Company's Annual Report on Form 20-F entitled "Risk Factors."

These forward-looking statements are based on information available as of the date of this press release and the Company's management team's current expectations, forecasts, and assumptions, and involve a number of judgments, known and unknown risks and

uncertainties and other factors, many of which are outside the control of the Company and its directors, officers, and affiliates. Accordingly, forward-looking statements should not be relied upon as representing the Company management team's views as of any subsequent date. The Company does not undertake any obligation to update, add or to otherwise correct any forward-looking statements contained herein to reflect events or circumstances after the date they were made, whether as a result of new information, future events, inaccuracies that become apparent after the date hereof or otherwise, except as may be required under applicable securities laws.

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