iZafeGroup

Quarterly Report

Second Quarter 2026

About iZafe Group

iZafe Group is a Life-Science company that conducts research, development and marketing of digital medical solutions and services for safer medication management in the home.

The company leads the development of digital drug dispensing through the pharmaceutical robot Dosell and the digital dosett device Pilloxa. The company's solutions reduce the risk of incorrect medication in the home, relieve the burden on public healthcare, increase the quality of life and create a safer environment for relatives.

Financial Performance in Summary

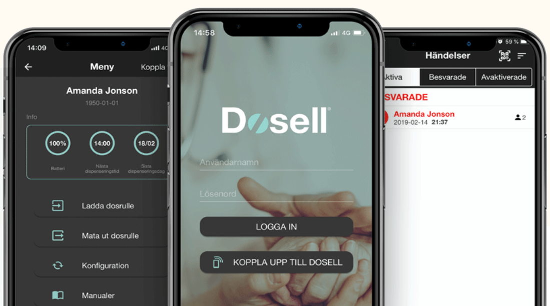
- The Group's net sales for the quarter amounted to 2,639 (1,136) TSEK. Net sales increased significantly compared to the corresponding period of the previous year, while the implementation pace was lower than planned. Several planned installations were postponed due to longer customer processes and limited availability of Dosell pending the new production batch. During the second half of the year, the Company's focus is to convert existing agreements, customer expansions and commercial opportunities into more revenue-generating units and increased recurring revenues.
- Operating result (EBIT) for the quarter amounted to -7,511 (-4,277) TSEK. In addition to the higher operating cost base, the result was impacted by increased depreciation and amortization, including amortization of identified excess values arising in connection with the acquisition of the Dutch operations.
- Operating result before depreciation and amortization (EBITDA) for the quarter amounted to -5,862 (-3,295) TSEK. The deterioration is mainly attributable to the consolidation of the Dutch operations, reinforcements of the organization and increased sales and marketing activities. Costs have therefore increased ahead of the expected increase in revenues from new agreements and upcoming installations.
- Profit after financial items for the quarter amounted to -7,530 (-4,503) TSEK.
- Cash flow from operating activities amounted to -3,954 (-1,715) TSEK. Cash and cash equivalents amounted to 10,163 TSEK at the end of the period. The cash position strengthened during the quarter, primarily through financing activities, while operating cash flow remained negative. A key priority going forward is therefore to increase the conversion of invested capital and installed hardware into recurring revenues and improved cash flow.
- Earnings per share for the quarter before/after dilution amounted to -0.02 (-0.01) SEK.
- Equity per share at the end of the quarter amounted to 0.04 (0.03) SEK.
- The equity ratio at the end of the period was 38.6 (50.1) percent.

Significant events during the quarter

- iZafe Group announces that its subsidiary Dosell AB has obtained a European patent in data-driven medication management. The patent strengthens the Company's intangible assets and long-term position in digital healthcare solutions.
- iZafe Group announces that its subsidiary Dosell AB has been awarded contracts in Region Jönköping County's procurement of medication dispensing systems. The agreement covers both the region and all municipalities in the county, entered into force on April 1, 2026, and enables successive call-offs during the contract period.
- iZafe Group announces that the Company has obtained ISO/IEC 27001 certification for information security. The certification covers the entire Group and strengthens the Company's position in procurements and international expansion.
- iZafe Group announces that its subsidiary Dosell AB, through Atea Sverige AB, has been selected as the solution for Västervik Municipality and cooperating municipalities. The agreement has an estimated potential of approximately 500 units, corresponding to 3.7 MSEK in annual recurring revenue at full rollout.

Significant events after the end of the quarter

- iZafe Group announces that the Board of Directors has completed a directed set-off issue of 10,386,409 B shares to Stichting TCCN as partial payment for the acquisition of the Dutch operations. The issue corresponds to approximately EUR 310,000 and results in dilution of approximately 2.36 percent.



Comments from the CEO

From demand to delivery and recurring revenues

The second quarter shows a business that continues to grow, but where development during the first half of the year has been slower than planned. Net sales increased to 2.6 MSEK compared with 1.1 MSEK for the corresponding period of the previous year. At the same time, EBITDA amounted to -5.9 MSEK and cash flow from operating activities amounted to -4.0 MSEK. During the year, we have continued to invest in our organization, production and commercial capacity in order to manage a larger business. Revenues have not yet caught up with this scaling-up.

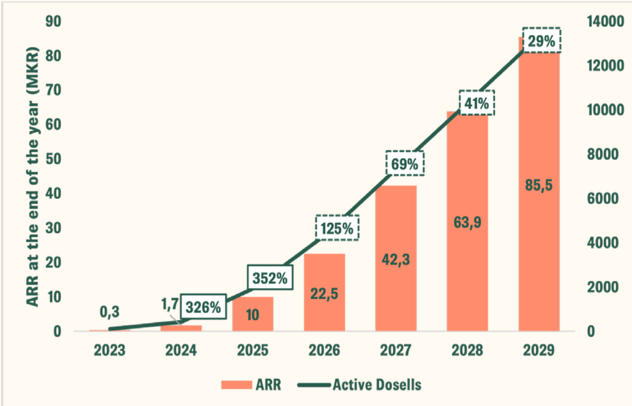
In particular, the time from agreements and customer decisions to installed and revenue-generating Dosell units has been longer than planned, while production delays have limited our ability to deliver at the desired pace. As a result, part of the development we expected during the first half of the year has been postponed.

Our most important task during the second half of the year is clear: to convert the agreements, customer relationships and business opportunities we have built up into more active Dosell units, higher recurring revenues and gradually improved cash flow.

We stand by our ARR forecast

Despite the slower start to the year, we stand by our previously communicated forecast of 22.5 MSEK in annual recurring revenue, ARR, at the end of 2026. This requires a clear acceleration during the second half of the year.

Our assessment is primarily based on the ongoing production of approximately 1,300 new Dosell units being delivered and installed before year-end. This volume provides the hardware capacity required to achieve the forecast, provided that the planned implementations are carried out at the pace we are working towards. The commercial opportunities we see, particularly in the Netherlands, support this assessment. Following the end of the quarter, deliveries from the new production batch have commenced and the focus is now shifting to installation and revenue generation.



At the same time, we are already working on the next production order. Since the current order was placed, lead times for several components have increased significantly due to changing external factors. We are therefore adapting our production planning to the new conditions and need to work further ahead. When customer demand increases, hardware availability must not be what limits our growth.

Higher production volumes also mean that capital is tied up in hardware before the corresponding recurring revenues are realized. This places greater demands on planning, inventory management and working capital. Our objective is to make the chain from production to installation and recurring revenues more predictable.

Sweden – significant potential also in our existing customer base

The Swedish market for medication dispensing systems continues to mature. The Swedish Association of Local Authorities and Regions (SALAR) highlights medication dispensing systems as an established example of welfare technology, with clear benefits and experience from several municipalities. We see the same shift in our customer dialogues, where the focus is increasingly on broader implementation in regular operations.

During the quarter, we took several important commercial steps in Sweden. The agreement within Region Jönköping County entered into force, Dosell is available through Adda's framework agreement and, through Atea, we were awarded the agreement with Västervik Municipality and cooperating municipalities. At full rollout, the Västervik agreement has an estimated potential of approximately 500 Dosell units, corresponding to approximately 3.7 MSEK in annual recurring revenue.

An important part of the potential in Sweden also lies in the customer base we have already built. Dosell is established in approximately 40 municipalities, and usage can grow among customers where the product has already been implemented.

When a municipality has completed an initial implementation, trained its staff and integrated Dosell into its operating procedures, the threshold for gradually expanding usage to more users and areas of operation becomes lower. Growth therefore depends not only on new agreements, but also on expansion among existing customers.

We will continue to win new customers, but it is equally important to develop those we already have. Implementation normally takes place gradually, and the time between an agreement and its full revenue potential may therefore be significant. During the second half of the year, we will focus on both broadening usage among existing customers and shortening the time from decision to installation.

Comments from the CEO – continued

The Netherlands and further international markets

In the Netherlands, we are working both with new customers and to increase usage among existing healthcare organizations. We see how an initial installation can develop into a broader rollout within the same organization. At the same time, integrations and partnerships can make Dosell easier to implement in customers' existing systems and operating procedures.

The Netherlands is the market that has been most clearly affected by the production delays during the first half of the year. The new version of Dosell includes an updated sensor required for the Dutch market, which caused several planned implementations to be postponed. The corresponding recurring revenues were therefore also deferred. Following the end of the quarter, deliveries from the new production batch have commenced, and the focus is now on installation and increasing the implementation pace.

The important long-term aspect is that an initial installation can be followed by broader usage, more revenue-generating units and higher recurring revenues within the same customer.

At the same time, our activities are becoming more concrete in several other markets. In Norway, we are working together with local partners on municipal opportunities, technical integrations and the implementation of Dosell. In Finland, activities have intensified, with a focus on local references, potential pilots and a clearer commercial model. Following the end of the quarter, we have also taken further steps towards a local market launch in Iceland together with our distribution partner.

In parallel, we are working on additional markets where Dosell has the potential to become established over time. We are continuing these dialogues, but are prioritizing resources to the markets where customer interest is most concrete and where the path to installations and recurring revenues is clearest. This enables us to focus on commercial impact today while building the next phase of our international expansion.

We are building for significantly larger volumes

To achieve profitable growth, it is not enough for Dosell to be scalable as a product. Our processes and internal systems must also be able to handle significantly more customers and units without the organization having to grow at the same pace.

During the year, we have built in-house system support that connects sales, customer implementations, installed units and follow-up. At the same time, we are automating parts of the administration to reduce manual processes and provide the organization with better decision-making support.

The objective is for the same organization to be able to manage a significantly larger customer and unit base with better control from the initial customer dialogue to an active Dosell unit. Over time, this will contribute to revenues growing faster than the cost base.

Growth must translate into cash flow

At the end of the quarter, cash and cash equivalents amounted to 10.2 MSEK, while cash flow from operating activities amounted to -4.0 MSEK. The cash position strengthened during the quarter, primarily through the payment of the remaining proceeds from the directed issue carried out during the first quarter.

As production volumes increase, more capital is tied up in hardware before the units are installed and begin generating recurring revenues. A shorter time from production to installation and revenue generation is therefore important for both growth and cash flow.

We enter the second half of the year with a larger commercial base, new production volume and more opportunities to grow among existing customers than one year ago. Our focus is to deliver the new production to customers, increase usage among existing customers, bring new municipalities and healthcare organizations into operation and secure future production volumes in time.

The need for improved medication management is clear, and we have built a position to address it. The next step is to convert this position into more active Dosell units, growing recurring revenues, improved profitability and cash flow.

This is our focus during the second half of the year.

Stockholm in August 2026
Anders Segerström
Chief Executive Officer, iZafe Group

Company overview

iZafe Group develops and commercializes digital products and services that ensure people take the right medication at the right time – and that adherence can be monitored digitally.

The Market

An aging population requires new methods

Across Europe, a growing number of people are prescribed multiple medications, and up to 70 percent of those over 60 take three or more medicines daily.

The share of the population aged 65 and older is expected to rise from about 21 percent in 2022 to over 24 percent by 2030.

A rapidly aging population and an increase in chronic conditions heighten the risk of medication errors. At the same time, it is becoming increasingly difficult to secure sufficient qualified staff within home healthcare.

Studies show that the introduction of digital tools is essential to meet these changing conditions and to enable safe, cost-effective, and equitable care.

Proper medication improves health and quality of life Within the EU, poor adherence to prescribed medication leads to approximately 200,000 deaths each year, corresponding to societal costs exceeding €125 billion.

A steadily growing market

Digitalization and welfare technology make it possible to provide care where and when it is needed, reduce the risk of medication errors, and create more personalized healthcare.

By the end of 2022, around 4.4 million connected devices were in use globally to ensure correct medication – a market expected to grow at an annual rate of 13.2 percent, reaching 8.2 million devices by 2027.

According to Berg Insight, the market for digital medication management solutions is expected to increase from USD 4.6 billion to USD 8.4 billion between 2023 and 2027.

At the same time, the pharmaceutical industry is experiencing a growing need for digital solutions that enable monitoring of treatment adherence and support patients throughout their medication journey.

iZafe Group – Products and Services

Digitalization ensures efficient and safe healthcare

The company's patented product Dosell is a connected medication dispensing robot that prevents double and incorrect dosing and ensures proper medication administration in the home. Dosell creates security for patients, relatives, and healthcare providers, while enabling more efficient use of healthcare resources.

Dosell makes it possible to free up healthcare resources by automating one of the most time-consuming tasks in home healthcare – medication management.

Dosell dispenses dose bags at the correct time, monitors adherence, and issues alerts if a dose is missed, thereby increasing both patient safety and independence.

In Sweden, over 300,000 people already use dose bags, and this number is expected to increase significantly as the population ages.

Increased adherence is important for the pharmaceutical industry

iZafe Group also offers the digital platform Pilloxa, which – through a mobile app, cloud platform, and smart hardware – supports patients in taking their medication as prescribed.

Pilloxa is also used by pharmaceutical companies to digitalize their Patient Support Programs (PSPs) and to collect real-time data on adherence, engagement, and treatment outcomes.

Pilloxa is positioned as a flexible, regulatory-compliant SaaS platform that enables pharmaceutical companies to launch digital patient support faster and at lower cost.

Together, Dosell and Pilloxa address the entire chain – from medication dispensing in the home to digital patient support and data-driven healthcare.

Pilloxa complements Dosell by digitalizing the patient journey even for those who do not receive their medicines in dose bags. The smart pillbox and app provide reminders, visualize adherence, and collect data that help patients, doctors, and pharmaceutical companies understand and improve treatment compliance.

Together, Dosell and Pilloxa ensure adherence, safety, and data-driven insights throughout the entire care chain – from the home to the pharmaceutical industry.

Business Model

iZafe Group sells its products and services both directly and through partners with local market expertise. The revenue model is primarily based on recurring licence and subscription revenues from public and private healthcare providers, consumers and pharmaceutical companies.

Dosell's business model varies between markets and customers. In some cases, the hardware is sold separately, while in other cases the Company finances the unit and recovers its investment through recurring revenues over time. This means that growth may initially require working capital before the corresponding revenues are realised.

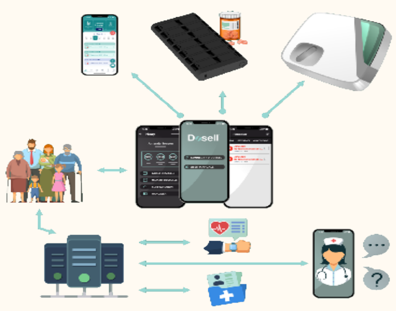
Dosell is sold both directly and through partners within welfare technology and digital healthcare, while Pilloxa primarily offers a SaaS model aimed at the pharmaceutical industry.

Partnerships and Growth

iZafe Group currently has active partnerships in eight European countries. Interest in the company's solutions is growing rapidly among municipalities, healthcare providers, and pharmaceutical companies alike.

The focus remains on quality-assured implementation, training, support, and delivery in line with increasing volumes.

The company continues to see strong and growing demand for solutions that enable safe, connected, and individualized medication management – securing a central role for both Dosell and Pilloxa in the healthcare ecosystem of the future.



Dosell – safe medication at home

Digital medication-dispensing robot that ensures the right medicine at the right time
Dosell is a Swedish-developed medical device that automatically reminds and dispenses the correct dose of medication at the right time. The product is primarily used at home and in home healthcare and is designed to create safety, reduce medication errors, and free up time for healthcare staff.

Dosell is used together with medication delivered in dose rolls – where each dose bag contains the medicines to be taken at a specific time. Dosell reads the dose roll, keeps track of the schedule, and automatically dispenses the bag when it's time to take the medicine.

If the user does not take their dose, a notification or alarm is sent to a relative, healthcare staff, or an alarm center via mobile network or WiFi. In this way, deviations can be detected immediately and addressed quickly, increasing safety while reducing the need for physical visits.

Security for the patient – efficiency for healthcare
With Dosell, more people can stay at home longer, maintaining both safety and independence. For elderly care, this means that time can be used more efficiently – focusing on care instead of manual medication handling.

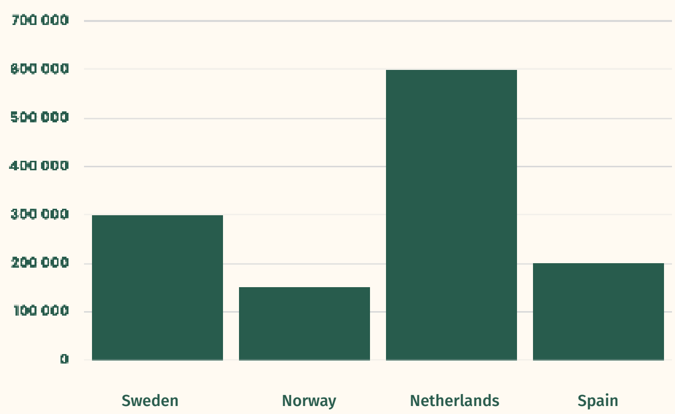
Dosell is developed to function both as a standalone product in the home and as part of digital healthcare platforms through integrations with welfare systems. The product is currently used by municipalities and partners in several European countries, including Sweden, the Netherlands, and Spain.

A proven, connected, and scalable solution
Dosell is a Class I product under the EU MDR framework, meaning it is approved for use in healthcare and elderly care. It features dual connectivity via WiFi or mobile network and can be monitored in real time via an app or care platform.

There are currently over 1,000 active units in operation across Europe, demonstrating that the solution is both scalable and established. Through strong partnerships, Dosell is rapidly expanding into new markets and reaching new user groups.

Dosell in brief
- Dispenses medication in dose bags at the right time
- Prevents double and incorrect dosing
- Sends alerts if a dose is missed
- Connected via mobile network or WiFi
- Integrated with digital healthcare platforms
- Swedish-developed, MDR Class I-certified medical device
- Used by municipalities and private care providers in several European countries

Number of users of dose rolls



Pilloxa

SaaS platform for digital patient support programs (Patient Support Programs)

Pilloxa is a Swedish-developed, regulatory-compliant SaaS platform that enables pharmaceutical companies to digitalize their Patient Support Programs (PSPs).
Through a combination of a mobile app, cloud platform, and smart hardware, Pilloxa can improve treatment adherence, increase patient engagement, and provide pharmaceutical companies with valuable insights into how their treatments are used in real life.

The platform is used to create digital patient journeys that strengthen both treatment outcomes and quality of life. Pilloxa makes it possible to educate, motivate, and monitor patients in real time and gives pharmaceutical companies access to anonymized data on adherence, engagement, and results.
In this way, Pilloxa contributes to better health and more data-driven decisions throughout the pharmaceutical value chain.

Improved adherence and faster launches

Traditional patient support programs are often costly and time-consuming to develop. With Pilloxa, pharmaceutical companies can launch digital patient support in less than a month – fully compliant with data protection and medical device regulations.

Clinical collaborations have shown that using Pilloxa can increase treatment adherence by up to 14 percent over a year, with an average adherence rate among users exceeding 92 percent.
For pharmaceutical companies, this results in both improved treatment quality and more robust data on drug effectiveness.

Collaborations and use cases

Pilloxa is currently used in projects and collaborations with several leading pharmaceutical companies and research institutions, including Bayer, Chiesi Germany, and Sahlgrenska University Hospital.
The platform is used in areas such as cardiovascular diseases, diabetes, rare diseases, and autoimmune conditions.

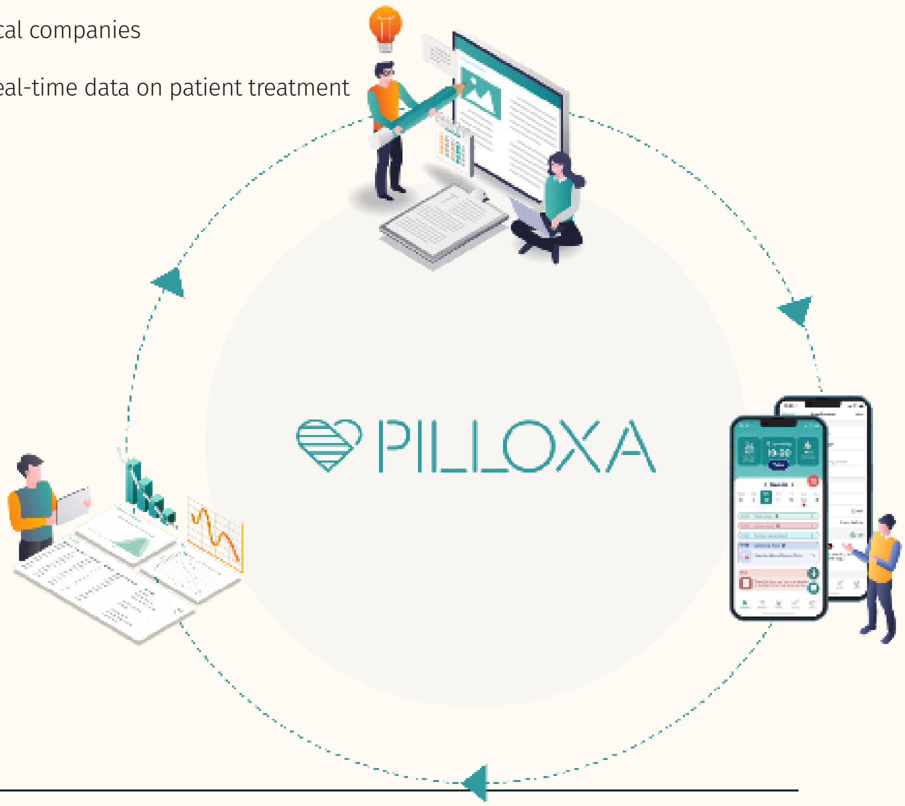
Pilloxa can operate as a standalone patient app or be integrated into the pharmaceutical company's existing systems. The platform manages educational content, reminders, treatment data, and patient interactions – and is built to be customized for each therapeutic area.

A scalable and regulatory-secure solution

Pilloxa is designed to be flexible and quick to implement – suitable for everyone from small biotech firms to global pharmaceutical corporations. Through a white-label solution, each company can launch its own branded patient app without developing a separate technical platform.

Pilloxa in brief

- +14% improved treatment adherence
- 92.5% average adherence among users
- White-label SaaS solution for pharmaceutical companies
- Launch time: under 1 month
- Provides pharmaceutical companies with real-time data on patient treatment



Key figures

THE GROUP

TSEK	2026 Apr-Jun	2025 Apr-Jun	2026 Jan-Jun	2025 Jan-Jun	2025 Jan-Dec
Net sales	2 639	1 136	5 058	2 454	5 991
Operating result (EBIT)	-7 511	-4 277	-13 384	-7 796	-16 783
Operating result before depreciation and amortization (EBITDA)	-5 862	-3 295	-10 173	-5 833	-12 018
Profit after financial items (EBT)	-7 530	-4 503	-14 163	-8 282	-16 790
Earnings per share before/after dilution, SEK	-0.02	-0.01	-0.03	-0.03	-0.05
Equity per share, SEK	0.04	0.03	0.04	0.03	0.03
Equity ratio, %	38.6%	50.1%	38.6%	50.1%	32.8%
Share price at the end of the period, SEK	0.38	0.25	0.38	0.25	0.48
Number of shares at the end of the period	430 591 337	321 736 171	430 591 337	321 736 171	370 486 350
Average number of outstanding shares	420 833 095	316 913 094	403 977 280	311 274 293	336 844 836
Average number of employees	13	7	12	7	10
Number of employees at the end of the period	14	7	14	7	10

Definitions

Operating profit (EBIT)
Profit before financial items.

Operating profit before depreciation and amortization (EBITDA)
Profit before tax, financial items, depreciation and amortization.

Earnings per share before dilution
Earnings per share before dilution is calculated by dividing profit attributable to the parent company's shareholders by the weighted average number of outstanding common shares during the period.

Equity per share
Equity at the end of the period divided by the number of shares outstanding at the end of the period.

Equity ratio
Equity as a percentage of total assets.

Average number of employees
Average number of employees during the period converted to full-time positions.

Financial overview

THE GROUP

TURNOVER AND RESULTS, APRIL-JUNE 2026

Net sales for the quarter amounted to 2,639 TSEK (1,136). The growth was achieved despite several municipalities postponing new implementations ahead of the summer and the limited availability of units pending a new production batch of Dosell. At the same time, the Company's sales pipeline continued to grow. Continued development in net sales and profitability depends on this pipeline gradually being converted into active installations and increased recurring revenues.

Other operating income for the quarter amounted to 0 TSEK (421). The decrease is due to the agreement for subletting part of the Company's premises ending at the end of 2025, meaning that both the revenues and the corresponding costs have ceased.

Cost of goods sold for the quarter amounted to -1,273 TSEK (-735). The item primarily reflects inventory changes and the handling of Dosell units under the leasing model, where revenues are generated continuously over the contract period.

Other external costs for the quarter amounted to -3,041 TSEK (-1,969). The increase compared with the same period of the previous year is mainly attributable to the consolidation of the Dutch operations and investments in sales and marketing activities to support future growth.

Personnel costs for the quarter amounted to -4,173 TSEK (-2,140). The increase compared with the same period of the previous year is mainly attributable to the consolidation of the Dutch operations and organizational strengthening to support continued growth. The number of employees at the end of the period increased from 11 at the end of Q1 2026 to 14 at the end of Q2 2026.

Depreciation and amortization of tangible and intangible assets amounted to -1,649 TSEK (-982), attributable to capitalized development expenditures related to Dosell and amortization of excess values arising from the acquisition of the Dutch operations.

Net financial items for the quarter amounted to -19 TSEK (-226). The improvement compared with the corresponding quarter of the previous year is mainly attributable to lower interest expenses, as the comparative period was charged with interest on a loan raised in 2024. Net financial items for the current quarter include currency translation of liabilities attributable to the acquisition of the Dutch operations.

Tax for the period amounted to 112 TSEK (0) and relates to a change in deferred tax attributable to acquisition-related excess values.

Net result for the period amounted to -7,418 TSEK (-4,503). The deterioration compared with the corresponding quarter of the previous year is mainly attributable to the consolidation of the Dutch operations, an expanded organization and increased investments in sales and marketing. The number of employees has increased from 7 to 14, while the result has also been impacted by higher amortization of acquisition-related excess values, which do not affect EBITDA or cash flow. Earnings per share amounted to -0.02 SEK (-0.01).

TURNOVER AND RESULTS, JANUARY-JUNE 2026

Net sales for the period January–June 2026 amounted to 5,058 TSEK (2,454). The development is driven by a growing base of active Dosell units and the consolidation of the Dutch operations. At the same time, operating capacity and the sales pipeline have been built up faster than revenues, as several planned implementations and deliveries have been postponed until after the summer. The increased capacity provides the conditions for a higher delivery and installation pace during the second half of the year. Improved profitability requires the pipeline to be converted into more active units and increased recurring revenues.

Other operating income for the period January–June 2026 amounted to 8 TSEK (827). The decrease is due to the agreement for subletting part of the Company's premises ending at the end of 2025, meaning that both the revenues and the corresponding costs have ceased.

Cost of goods sold for the period January–June 2026 amounted to -2,010 TSEK (-1,745) and primarily relates to inventory changes and Dosell units under leasing arrangements, which generate recurring revenues over time.

Other external costs for the period January–June 2026 amounted to -5,732 TSEK (-3,182). The increase is mainly attributable to the consolidation of the Dutch operations and increased investments in sales and marketing activities to support the Group's continued growth.

Personnel costs for the period amounted to -7,479 TSEK (-4,175). The increase is attributable partly to the consolidation of the Dutch operations and partly to strategic reinforcements of the organization to increase the Group's sales, delivery and growth capacity. The number of employees at the end of the period increased from 7 as of June 30, 2025 to 14 as of June 30, 2026, providing the Company with a stronger platform for continued expansion and management of increased volumes.

Depreciation and amortization of tangible and intangible assets amounted in total to -3,211 TSEK (-1,963). The increase is mainly attributable to amortization of the excess values arising from the acquisition of the Dutch operations and does not affect EBITDA or cash flow.

Net financial items for the period amounted to -779 TSEK (-486). The outcome is mainly attributable to non-cash revaluations and currency effects on long-term, non-interest-bearing liabilities related to the acquisition of the Dutch operations.

Tax for the period amounted to 222 TSEK (0) and relates to a change in deferred tax attributable to acquisition-related excess values.

Net result for the period amounted to -13,941 TSEK (-8,282). The deterioration compared with the corresponding period of the previous year is mainly attributable to the operating cost base having grown faster than revenues as a result of the consolidation of the Dutch operations, an expanded organization and increased investments in sales and marketing. The result has also been impacted by higher amortization of acquisition-related excess values and currency effects, which to a large extent do not affect cash flow. The increased capacity provides the conditions for a higher delivery and installation pace during the second half of the year. Improved profitability requires the sales pipeline to be converted into more active units and increased recurring revenues. Earnings per share amounted to -0.03 SEK (-0.03).

FINANCIAL POSITION, CASH FLOW AND LIQUIDITY

Cash flow from operating activities amounted to -3,954 TSEK (-1,715). The deterioration compared with the corresponding period of the previous year is mainly attributable to the higher cost base following the acquisition of the Dutch operations, while the Company continues to work on adapting its cost level and strengthening the share of recurring revenues.

Cash flow from investing activities during the quarter amounted to -1,066 TSEK (-181).

Cash flow from financing activities for the quarter amounted to 7,946 TSEK (2,003). Cash flow in both the current and comparative period mainly relates to new share issues.

Cash and cash equivalents at the end of the period amounted to 10,163 TSEK, compared with 1,673 TSEK as of December 31, 2025. During the period, the Company completed share issues and continued to operate according to plan.

Total assets at the end of the quarter amounted to 44,410 TSEK (20,638). The significant increase is primarily attributable to new share issues and the acquisition of the Dutch operations.

INVESTMENTS AND DEVELOPMENT EXPENDITURE

Investments during the quarter amounted to 1,066 TSEK (181), mainly attributable to capitalized development expenses and the reclassification of units. The Company has invested in platforms to enable increased sales in additional markets. At the same time, the development of Dosell has continued, with a focus on strengthening the product's capabilities and adapting it to the market.

GOING CONCERN

The Company's ability to meet future liquidity needs depends on sales development and continued cost control. The Board of Directors continuously monitors the Group's liquidity development and financial position. Based on current cash and cash equivalents, the Company's liquidity forecast, expected business development and completed cost adjustments, the Board of Directors assesses that the Group has financing for the coming twelve-month period. The report has therefore been prepared on the assumption of going concern.

PARENT COMPANY

In the parent company, group-wide functions are conducted, and the CEO as well as parts of the management team are employed in this company. The parent company has invoiced the subsidiary companies for management fees, which are eliminated at the group level.

Condensed income statement

GROUP

TSEK	2026 Apr-Jun*	2025 Apr-Jun	2026 Jan-Jun	2025 Jan-Jun	2025 Jan-Dec
Operating income					
Net sales	2 639	1 136	5 058	2 454	5 991
Other operating income	0	421	8	827	1 635
Total revenue	**2 639**	**1 557**	**5 066**	**3 281**	**7 626**
Operating costs					
Goods for resale	-1 273	-735	-2 010	-1 745	-3 587
Other external expenses	-3 041	-1 969	-5 732	-3 182	-6 882
Personnel costs	-4 173	-2 140	-7 479	-4 175	-9 147
Depreciation of tangible and intangible assets	-1 649	-982	-3 211	-1 963	-4 765
Other operating expenses	-14	-8	-18	-12	-28
Other costs	**-10 150**	**-5 834**	**-18 450**	**-11 077**	**-24 409**
Operating profit/loss	**-7 511**	**-4 277**	**-13 384**	**-7 796**	**-16 783**
Net financial items	-19	-226	-779	-486	-7
Profit/loss after financial items	**-7 530**	**-4 503**	**-14 163**	**-8 282**	**-16 790**
Tax on profit for the period	112	0	222	0	114
PROFIT/LOSS FOR THE PERIOD	**-7 418**	**-4 503**	**-13 941**	**-8 282**	**-16 676**
Other comprehensive income					
Translation differences	28	0	76	0	-163
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**-7 390**	**-4 503**	**-13 865**	**-8 282**	**-16 839**
Basic earnings per share (SEK)	**-0.02**	**-0.01**	**-0.03**	**-0.03**	**-0.05**

* The comparative period does not include the Dutch operations, which have been consolidated in the current year.

Condensed statement of financial position

GROUP

TSEK	2026 30-Jun	2025 30-Jun	2025 31-Dec
ASSETS			
Non-current assets			
Balanced development expenditure	13 501	15 290	14 234
Customer agreements	9 429	0	10 265
Patents	52	13	0
Tangible fixed assets	5 220	16	4 425
Right-of-use assets	295	503	0
Deferred tax assets	300	0	292
Current assets			
Inventories	2 241	2 275	2 230
Accounts receivable	2 128	448	797
Current receivable	1 081	1 268	1 719
Cash and cash equivalents*	10 163	825	1 673
Total assets	**44 410**	**20 638**	**35 635**
SHAREHOLDERS’ EQUITY AND LIABILITIES			
Shareholders’ equity			
Share capital*	21 530	64 347	18 524
Ongoing share issue**	239	0	0
Other capital contributions	154 056	130 535	137 995
Foreign currency translation reserve	-87	0	-163
Retained earnings including profit/loss for the period	-158 611	-184 538	-144 671
Total shareholders’ equity	**17 127**	**10 344**	**11 685**
Non-current liabilities			
Postponed tax liabilites	1 941	0	2 164
Lease liability	214	0	0
Other long term liabilities***	10 317	0	12 873
Current liabilities			
Interest-bearing liabilities	0	5 188	63
Lease liabilities	85	545	0
Accounts payable	3 454	690	1 805
Other current liabilities	11 272	3 871	7 045
Total liabilities	**27 283**	**10 294**	**23 950**
Total equity and liabilities	**44 410**	**20 638**	**35 635**

* At the Annual General Meeting on May 28, 2025, it was resolved to reduce the share capital for allocation to unrestricted equity.
** The ongoing issue relates to the incentive programs LTIP 2026:I and LTIP 2026:II.
*** Other non-current liabilities relate to the acquisition of the Dutch operations and are non-interest-bearing.

Condensed statement of changes in equity

GROUP

TSEK	2026 Apr-Jun	2025 Apr-Jun	2026 Jan-Jun	2025 Jan-Jun	2025 Jan-Dec
Equity, opening balance	**24 469**	**12 537**	**11 685**	**9 728**	**9 728**
Total result					
The result of the period	-7 418	-4 503	-13 941	-8 282	-16 676
Transactions with owners					
New share issue	107	2 310	19 942	9 230	19 230
Warrant rights, paid premium	0	0	0	0	264
Share issue expenses	-59	0	-635	-332	-698
Other comprehensive income					
Translation differences on foreign operations	28	0	76	0	-163
Equity, closing balance	**17 127**	**10 344**	**17 127**	**10 344**	**11 685**

Condensed satement of cash flows

GROUP

TSEK	2026 Apr-Jun	2025 Apr-Jun	2026 Jan-Jun	2025 Jan-Jun	2025 Jan-Dec
Operating profit/loss	-7 511	-4 277	-13 384	-7 796	-16 783
Adjustments for non-cash items	1 736	982	3 168	1 963	5 114
Interest received, etc.	0	0	0	0	15
Interest paid, etc.	-6	-226	-31	-486	-760
Tax paid	0	0	0	0	0
Cash flow from operating activities before change in working capital	-5 781	-3 521	-10 247	-6 319	-12 414
Cash flow form changes in working capital	1 827	1 806	1 640	-2 409	-2 144
Cash flow from operating activities	-3 954	-1 715	-8 607	-8 728	-14 558
Cash flow from investment activities	-1 066	-181	-2 105	-301	2 149
Cash flow from financing activities	7 946	2 003	19 202	7 704	11 932
Cash flow for the period	**2 926**	**107**	**8 490**	**-1 325**	**-477**
Cash and cash equivalents at the beginning of the period	7 248	718	1 673	2 150	2 150
Exchange rate differences in cash and cash equivalents	-11	0	0	0	0
Cash and cash equivalents at close of period	**10 163**	**825**	**10 163**	**825**	**1 673**

Distribution of revenues

GROUP

TSEK	2026	2025	2026	2025	2025
	Apr-Jun	**Apr-Jun**	**Jan-Jun**	**Jan-Jun**	**Jan-Dec**
Sweden	1 648	1 136	3 073	2 454	4 848
Netherlands	991	0	1 985	0	1 143
Total	**2 639**	**1 136**	**5 058**	**2 454**	**5 991**

Reporting by business segment

GROUP

TSEK	2026 Apr-Jun	2025 Apr-Jun	2026 Jan-Jun	2025 Jan-Jun	2025 Jan-Dec
External revenue					
Sweden	1 648	1 136	3 073	2 454	4 848
Netherlands	991	0	1 985	0	1 143
	2 639	**1 136**	**5 058**	**2 454**	**5 991**
Direct costs					
Sweden	-544	-735	-575	-1 745	-2 432
Netherlands	-729	0	-1 435	0	-1 155
	-1 273	**-735**	**-2 010**	**-1 745**	**-3 587**
Contribution margin					
Sweden	1 104	401	2 498	709	2 416
Netherlands	262	0	550	0	-12
	1 366	**401**	**3 048**	**709**	**2 404**
Other items					
Other operating income	0	421	8	827	1 635
Other external costs	-3 055	-1 977	-5 750	-3 194	-6 910
Personnel costs	-4 173	-2 140	-7 479	-4 175	-9 147
	-7 228	**-3 696**	**-13 221**	**-6 542**	**-14 422**
Operating profit before depreciation	**-5 862**	**-3 295**	**-10 173**	**-5 833**	**-12 018**

Condensed income statement

PARENT COMPANY

TSEK	2026 Apr-Jun	2025 Apr-Jun	2026 Jan-Jun	2025 Jan-Jun	2025 Jan-Dec
Operating income					
Net sales	370	450	744	900	1 790
Other operating income	0	404	0	805	1 614
Total revenue	**370**	**854**	**744**	**1 705**	**3 404**
Operating costs					
Other external expenses	-1 380	-1 411	-2 424	-2 330	-4 507
Personnel costs	-1 517	-1 043	-2 675	-1 950	-3 696
Deprecation and amortization of property, plant and equipment, and intangible assets	0	-13	0	-25	-41
Total costs	**-2 897**	**-2 467**	**-5 099**	**-4 305**	**-8 244**
Operating profit/loss	**-2 527**	**-1 613**	**-4 355**	**-2 600**	**-4 840**
Net financial items	-14	-224	-1 401	-720	-198
Profit/loss after financial items	**-2 541**	**-1 837**	**-5 756**	**-3 320**	**-5 038**
Tax on profit for the period	0	0	0	0	0
PROFIT/LOSS FOR THE PERIOD	**-2 541**	**-1 837**	**-5 756**	**-3 320**	**-5 038**

Condensed balance sheet

PARENT COMPANY

TSEK	2026 30-Jun	2025 30-Jun	2025 31-Dec
ASSETS			
Non-current assets			
Tangible fixed assets	0	16	0
Financial fixed assets	42 685	34 995	42 723
Current assets			
Current receivables	23 710	5 214	17 741
Cash and bank balances	8 388	669	843
Total assets	**74 783**	**40 894**	**61 307**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Restricted equity			
Share capital	21 530	64 347	18 524
Unrestricted equity			
Ongoing share issue	239	0	0
Share premium reserve	153 614	130 093	137 553
Retained earnings includning profit/loss for the period	-120 041	-160 827	-114 284
Total shareholders' equity	**55 342**	**33 613**	**41 793**
Non-current liabilities			
Other non-current liabilities	10 317	0	12 873
Current liabilities			
Liabilities to credit institutions	0	5 000	0
Accounts payable	983	251	466
Other current liabilities	8 141	2 030	6 175
Total liabilities	**19 441**	**7 281**	**19 514**
Total equity and liabilities	**74 783**	**40 894**	**61 307**

Accounting principles, risks, and other information.

COMPANY INFORMATION
The group's operations include the development and marketing of products that contribute to a more qualitative and secure healthcare at home, both in the Swedish and international markets. The group develops and sells the product Dosell, with the aim of promoting reliable and safe medication management, and engages in the development and sales of the medical device, the connected pillbox Pilloxa, to improve medication adherence.

The parent company of the Group, iZafe Group AB (reg. no. 556762-3391), is a public limited liability company domiciled in Stockholm, Sweden. The Company's B shares are listed on Nasdaq First North Growth Market. iZafe Group AB has three wholly owned subsidiaries: Dosell AB (reg. no. 556898-3018), Pilloxa AB (reg. no. 559019-3354), and the Dutch subsidiary Dosell B.V. (reg. no. 93942362)

In this report, iZafe Group AB (publ) is referred to either by its full name or as the parent company, and the iZafe group is referred to as iZafe or the group. All amounts are expressed in TSEK unless otherwise stated.

PRINCIPLES FOR PREPARING THE INTERIM REPORT
The Group applies the Swedish Annual Accounts Act and the International Financial Reporting Standards (IFRS) as adopted by the EU, as well as RFR 1 Supplementary Accounting Rules for Groups when preparing financial reports. The parent company applies the Swedish Annual Accounts Act and RFR 2 Accounting for Legal Entities when preparing financial reports. This quarterly report has been prepared in accordance with IAS 34 Interim Financial Reporting. For detailed information on the company's accounting policies, please refer to the latest published annual report.

Changes to significant accounting policies
Several new standards and changes to standards will come into effect for financial years beginning on 1 January 2026. None of these are expected to have an impact on the Group's financial reports.

TRANSACTIONS WITH RELATED PARTIES
Board members have invoiced the Company for consulting services through related companies amounting to 0 TSEK (0) for the quarter. In addition to this, the group has not conducted any transactions with related parties during the reporting period other than customary salaries and compensations to the corporate management.

FINANCIAL RISKS
Through its operations, iZafe is exposed to several financial risks, such as market risk, credit risk, currency risk, and liquidity risk. The group's management and board actively work to minimize these risks. A detailed account of these risks is provided in the latest published annual report.

SIGNIFICANT RISKS AND UNCERTAINTIES
The Group's development depends on commercial agreements and customer dialogues being converted into installations and recurring revenues at the expected pace. Implementations among municipalities and other healthcare providers may be affected by, among other things, budget processes, procurements and internal decision-making processes, which may result in planned installations and revenues being postponed.

Dosell's hardware-based business model with recurring revenues means that growth may require investments in production and inventory before the corresponding revenues are realized. The Group is therefore exposed to risks related to component availability, production, delivery times and working capital, and is dependent on intellectual property rights and technical solutions.

The Group's future liquidity needs are affected by sales development, cost control and capital tied up in connection with growth. An increased pace of production and installation may result in a greater need for working capital before the corresponding recurring revenues are realized. The Board of Directors therefore continuously monitors the liquidity development and adjusts production planning, capital tied up and the cost level based on the Company's financial conditions. External working capital financing may be used, if necessary, to support capital tied up in connection with growth.

SEGMENTS
The Group has two operating segments: Sweden and the Netherlands.

IZAFE SHARES
iZafe has issued shares in two classes, Class A shares and Class B shares. The Class B share is traded on Nasdaq First North Growth Market. Each Class A share carries ten votes, while each Class B share carries one vote. As of June 30, 2026, the share capital amounted to SEK 21,529,566.85, divided into 600,000 Class A shares and 429,991,337 Class B shares, with a quotient value of SEK 0.05 per share.

WARRANTS

The Group has two outstanding warrant programs.

LTIP 2026:I – Incentive program for the CEO, senior executives and other employees

LTIP 2026:I comprises a series of warrants issued to the Company's CEO, senior executives and other employees. LTIP 2026:I comprises a total of not more than approximately 23,952,638 warrants, which together entitle the holders to subscribe for a maximum of 23,952,638 Class B shares.

The warrants entitle the holders to subscribe for Class B shares in the Company at a subscription price of SEK 0.10 per Class B share, provided that the average share price of the Class B share during a period prior to the first exercise date amounts to at least 200% of the volume-weighted average price (VWAP) during the ten trading days preceding the Annual General Meeting. The exercise period for the warrants falls in June 2028. Upon full exercise of the warrants issued under LTIP 2026:I, the Company's share capital may increase by a maximum of SEK 1,197,631.90. The warrants are subject to customary recalculation terms in connection with issues, etc.

LTIP 2026:II – Incentive program for the Board of Directors

LTIP 2026:II comprises 2,000,000 warrants entitling the holders to subscribe for the same number of Class B shares in the Company at a subscription price of SEK 0.10 per Class B share, provided that the average share price of the Class B share during a period prior to the first exercise date amounts to at least 200% of the volume-weighted average price (VWAP) during the ten trading days preceding the Annual General Meeting. The exercise period for the warrants falls in June 2028. Upon full exercise of the warrants issued under LTIP 2026:II, the Company's share capital may increase by a maximum of SEK 100,000.

Board members participating in the program used the board remuneration resolved by the Annual General Meeting, net after tax, to pay for the warrants and waived the remaining part of the board remuneration. The warrants are subject to customary recalculation terms in connection with issues, etc.

The maximum dilution effect of the warrant programs amounts to approximately 5.68% of the total number of shares and votes in the Company.

AUDIT REVIEW

This report has not been subject to review by the auditor of iZafe Group.

CERTIFIED ADVISER

DNB Carnegie

UPCOMING FINANCIAL REPORTS

2026-11-03	2026 Interim report Q3
2027-02-16	2026 Year-End Report

Financial reports are available on the company's website, www.izafegroup.com, the same day as they are published.

DECLARATION

The Board of Directors and the CEO confirm that the interim report provides a true and fair overview of the parent company's and the Group's operations, position, and results, as well as describes the significant risks and uncertainties facing the parent company and the companies included in the Group.

Stockholm, August 31, 2026.

iZafe Group AB (publ.)

Anders Segerström	CEO
Richard Wolff	Chairman of the Board
Anna Håkansson	Board Member
Anna Nyquist	Board Member

CONTACT

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