

IZAFE GROUP AB HAS COMPLETED A DIRECTED SHARE ISSUE OF B SHARES AMOUNTING TO APPROXIMATELY SEK 9.2 MILLION

The Board of Directors of iZafe Group AB (“iZafe” or the “Company”) has today, based on the authorization granted by the Annual General Meeting on May 30, 2024, resolved on a directed share issue of 46,150,000 B shares at a subscription price of SEK 0.20 per B share (the “Directed Share Issue”). Through the Directed Share Issue, the Company will raise approximately SEK 9.2 million before deductions for set-offs and transaction-related costs. The Directed Share Issue was targeted at a group of Swedish and international investors, including Gästrike Nord Invest AB, WARDCO Invest AB, the Spanish partner JUNIORFARMA S.L., and Exelity AB.

The Directed Share Issue

The Board of Directors of iZafe has today resolved to carry out a directed share issue of 46,150,000 B shares at a subscription price of SEK 0.20 per B share, raising approximately SEK 9.2 million before loan set-offs and transaction-related costs. Loan set-offs amount to a total of approximately SEK 0.5 million. The Directed Share Issue was resolved based on the authorization granted by the Annual General Meeting on May 30, 2024. The subscription price of SEK 0.20 corresponds to a discount of approximately 5.2 percent compared to the volume-weighted average price (VWAP) of the Company’s share on Nasdaq First North Growth Market over the past ten (10) trading days up to and including January 13, 2025. The Directed Share Issue was targeted at a group of Swedish and international investors, including Gästrike Nord Invest AB, WARDCO Invest AB, the Spanish partner JUNIORFARMA S.L., and Exelity AB. The Company intends to use the net proceeds from the Directed Share Issue to strengthen its working capital to accelerate the Company’s continued growth.

The subscription price was determined through arm’s length negotiations between the Company and the subscribers, based on the current market price of iZafe’s share. The Directed Share Issue also provides an opportunity to capitalize on the current interest in the Company’s shares among the subscribers at a price aligned with the prevailing share price. Against this background, the Board considers the subscription price to reflect current demand and market conditions and, therefore, to be market-based.

The Directed Share Issue will increase the number of shares in iZafe by 46,150,000, from 275,586,171 to 321,736,171. The number of votes in the Company will increase by 46,150,000, from 280,986,171 to 327,136,171. The Company’s share capital will increase by SEK 9,230,000, from SEK 55,117,234.20 to SEK 64,347,234.20. The Directed Share Issue entails a dilution of approximately 14.3 percent of the total number of shares and approximately 14.1 percent of the total number of votes in iZafe.

The subscribers in the Directed Share Issue include several existing and long-term shareholders, such as Gästrike Nord Invest AB, WARDCO Invest AB, JUNIORFARMA S.L., Filippa Lindström,

Eva Redhe, Fredrik Sjödin, Cecilia Kragsterman, and Pia Engholm, as well as new investors such as Exelity AB, Jimmie Landerman, and Klas Zetterman. The shares in the Directed Share Issue have been subscribed for and allocated.

Reason for Deviation from Shareholders' Preferential Rights

The purpose of the Directed Share Issue and the reason for deviating from shareholders' preferential rights is to conduct a capital raise in a time- and cost-efficient manner. The Board has evaluated the possibility of conducting a rights issue as a first option. After weighing the advantages and disadvantages of a rights issue compared to a directed share issue, the Board concluded that a rights issue (i) would be significantly more time-consuming, potentially causing the Company to miss out on growth opportunities, (ii) would result in substantially higher costs for the Company, primarily related to underwriting syndicates and legal expenses, (iii) would expose the Company to greater market volatility, and (iv) would likely need to be conducted at a lower subscription price, resulting in greater dilution, which would be detrimental to all shareholders. The Directed Share Issue also provides an opportunity to capitalize on the current interest in the Company's shares among the subscribers at a price aligned with the prevailing share price. Considering the above and after thorough deliberation, the Board has determined that the Directed Share Issue is the most advantageous financing option for iZafe and is in the interest of both shareholders and the Company.

The subscription price in the Directed Share Issue has been determined through arm's length negotiations with the investors, based on the prevailing share price of the Company's B shares. Additionally, the Board has ensured the subscription price's market-based nature in consultation with financial advisors, considering current market conditions and previously indicated price levels in discussions with potential investors. According to the Board's assessment, the market basis of the subscription price has been ensured through this procedure.

The inclusion of existing shareholders in the Directed Share Issue was both part of the negotiations with new investors and deemed strategically prudent by the Board to include these longstanding and committed shareholders in the Directed Share Issue.

Comment from iZafe's CEO, Anders Segerström, on the Directed Share Issue:

"The Directed Share Issue is a strategic step to accelerate our growth and strengthen our market position. The strong interest from both Swedish and international investors reflects confidence in our vision to revolutionize medication management through innovative solutions like Dosell and Pilloxa. We look forward to continuing the development of our products and expanding our global reach."

Subscribers in the Directed Share Issue:

Cecilia Kragsterman, Exelity AB, Eva Redhe, Filippa Lindström, Fredrik Sjödin, Gästrike Nord Invest AB, Jimmie Landerman, JUNIORFARMA S.L., Klas Zetterman, Pia Engholm, and WARDCO Invest AB.

Advisors

Partner Fondkommission AB acts as financial advisor and issuing agent in connection with the Directed Share Issue.

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About iZafe Group AB (publ.)

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

The company leads the development of digital drug dispensing through the drug robot Dosell as well as the SaaS solution Pilloxa with the smart pillbox. The company's solutions reduce the risk of incorrect medication in the home, increase compliance, relieve public health care, increase the quality of life for patients and create a safer environment for relatives.

The customers consist of private individuals, pharmaceutical companies and public and private healthcare providers in Sweden, the Nordics and globally. iZafe Group primarily sells through well-established partners who already have long and deep customer relationships with the prioritized customer groups. The head office is in Stockholm.

iZafe Group AB has been listed on the Nasdaq First North Growth Market since 2018. Mangold Fondkommission AB is the company's Certified Adviser. Further information is available at www.izafegroup.com

This information is information that iZafe Group is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2025-01-13 20:42 CET.

Image Attachments

Affärer Partners**Attachments**

iZafe Group AB has completed a directed share issue of B shares amounting to approximately SEK 9.2 million