



Quarterly Report

First Quarter 2024

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.

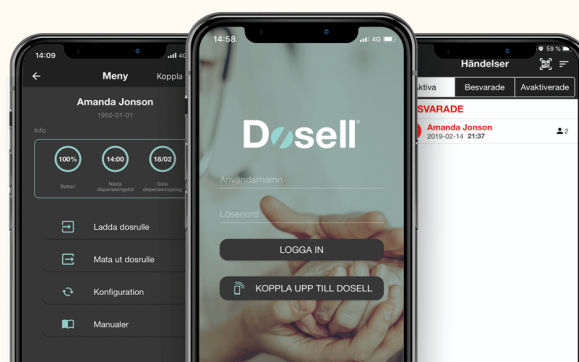


Financial Performance in Summary

- ✓ The net sales for the quarter amounted to 3,410 (228) TSEK, an organic growth approximately 15 times higher than the corresponding quarter of the previous year. The quarter's revenue consists of income attributable to the sale of the digital pharmaceutical robot Dosell as well as sales of the medical device Pilloxa. The increase in revenue is mainly attributed to hardware sales to the Dutch customer IVE Ventures.
- ✓ The operating profit (EBIT) for the quarter amounted to -5,569 (-5,051) TSEK.
- ✓ The operating profit before depreciation (EBITDA) for the quarter amounted to -4,588 (-2,969) TSEK.
- ✓ The result after financial items for the quarter amounted to -5,609 (-5,187) TSEK.
- ✓ The period's cash flow from operating activities amounted to -4,109 (-4,203) TSEK.
- ✓ Earnings per share for the quarter before / after dilution amounted to -0.02 (-0.02) SEK.
- ✓ Equity per share at the end of the period amounted to 0.1 (0.2) SEK.
- ✓ The solidity at the end of the period amounted to 67.5 (84.1) percent.

Significant events during the quarter

- ✓ iZafe Group has launched the latest version of Dosell on the market, version 3.0. In conjunction with this release, iZafe Group has also initiated a strategic move of its production to Central Europe to scale up production rates to larger volumes and shorten delivery lead times to existing partners. The first production series of 1,000 units of Dosell version 3.0 has been successfully completed and delivered for the Dutch market, marking the starting point for this new and improved version. With features such as a more powerful processor and expanded memory capacity, Dosell version 3.0 now enables a unified software platform independent of geographical location or design of the medication bag. This represents a significant improvement from previous versions that required extensive customization for each individual country and medication bag type. Additionally, the new version of Dosell 3.0 introduces several advanced features, including voice and expanded connectivity options, further enhancing the user experience and accessibility.
- ✓ The board of directors of iZafe Group AB has decided on a directed share issue of 25 million B shares to certain shareholders at a price of 0.20 SEK per share. Additionally, it has been decided on a directed issue of 25,053,288 series T014B subscription options, which will then be transferred to shareholders based on their shareholding. The Directed Share Issue will provide iZafe Group with 5 million SEK before transaction costs, and upon full exercise of the subscription options, approximately an additional 7.5 million SEK can be raised.



Comments from CEO



Dear shareholders, customers, and colleagues,

Our journey towards innovation and digitalization in healthcare continues to yield tangible results. With pride, I can report that the net sales for the quarter amounted to 3,410 TSEK, representing an organic growth nearly 15 times higher than the corresponding quarter of the previous year. Our business model, where our partners initially purchase the hardware that then generates recurring monthly revenue after distribution in the market, continues to demonstrate its value. These recurring revenues are the core of our business and are expected to create significant value over time.

Over the past two years, we have been involved in the development of a new, improved version of Dosell. This hardware is not only future-proofed but also designed to handle advanced features we plan to implement. Through partnerships with a prominent manufacturing partner, we have enabled scaling of production to meet ever-growing demand.

While transitioning to a new manufacturing partner and developing new hardware, we also delivered 1,000 units to our partner in Holland, requiring extensive customization and rapid development. Despite these challenges, our small but dedicated team has managed to maintain a high level of production, reflecting our ability to act quickly and efficiently under pressure.

To date, we have completed over 150,000 successful dispensations, where the right medication has been delivered at the right time. The number of dispensations is expected to increase rapidly as we distribute more Dosell units.

We have also taken strategic steps to strengthen our market positions. After reassessing our partnerships, we have terminated the exclusivity agreement with our partner in the UK and introduced stricter requirements for our existing and potential partners. These measures aim to ensure that we collaborate with the most committed and capable players, giving us the best possible conditions for success in the markets we enter. This elevated standard for partnerships will strengthen

our position and promote sustainable growth in both existing and new markets.

Our inventory capacity and access to components have significantly improved, thanks to capital injections from our major shareholders. This financial reinforcement is crucial to meet demand, accelerate deliveries, and strengthen our production team so that we can quickly adapt and develop Dosell for additional markets.

We have also commenced deliveries under the procurement we won with VGR, although the volumes are still small. We are actively working to increase awareness of Dosell and its prescribability, supported by a new colleague dedicated to the VGR region.

The future looks bright with new partnerships and projects on the horizon. One of the most exciting initiatives is the launch of TI-medi's Savioo concept in Spain, where Dosell becomes a central part. TI-medi has also expanded its operations by acquiring the French organization for JVM, which includes 1,400 pharmacies in Spain, Portugal, and France using their medication packaging machines.

In conclusion, I want to thank all our employees, partners, and shareholders for your continued support and trust. Together, we continue our journey towards innovation and growth.

Thank you for being an active part of our journey.

A handwritten signature in black ink, appearing to be 'AS', written in a cursive style.

Stockholm in April 2024

Anders Segerström

Chief Executive Officer, iZafe Group

Company overview

Addressing an Aging Population

An rapidly aging population and a significant increase in chronic health conditions are increasing the risk of medication errors. A growing number of people are being prescribed medications, and up to 70 percent of those over 60 years old take three or more medications, just in Europe alone. Demographically, there are clear changes occurring where the population over 65 years old is projected to increase from around 21 percent of the total population in 2022 to over 24 percent by 2030. This is happening alongside the growing challenge of ensuring an adequate quantity and quality of workforce in home healthcare. Studies indicate that it will be necessary to introduce digital aids to manage the changing conditions that healthcare is facing.

Improving Health Through Correct Medication

Within the EU, poor medication adherence results in 200,000 deaths annually, costing society 125 billion Euros. iZafe Group develops and commercializes digital products and services that ensure people take the right medication at the right time. iZafe Group's patented product, Dosell, is a digital medication dispensing robot specially designed to ensure medication adherence. With Dosell, conditions are created for more individuals to lead healthier and more independent lives. iZafe Group also markets and sells the connected pillbox, Pilloxa, along with its accompanying mobile application, which serves the same purpose as Dosell by ensuring medication adherence. Pilloxa currently targets a different demographic primarily comprised of pharmaceutical companies.

A Growing Market

Digital platforms enable people to receive care where and when it's needed, reducing the risks of medication errors and enabling more personalized care. By the end of 2022, globally, 4.4 million connected devices were being used to ensure medication adherence. This market is expected to grow at an annual growth rate of 13.2 percent over the coming years, reaching 8.2 million units by 2027. According to a recent report from 2023 conducted by Berg Insight, the market for connected medication management solutions offers growth opportunities for companies in the industry. The industry is expected to grow from a value of USD 4.6 billion to USD 8.4 billion by 2027. By deploying the right welfare technology, patients can live more independently in their own homes, while healthcare resources can be allocated more favorably. A medication robot can thus ensure that the user receives the right medication at the right time, allowing caregivers or home service visits to focus on tasks other than medication management.

Digitalization Ensures Efficient and Patient-Safe Care

iZafe's product Dosell enables welfare and healthcare resources to be used more efficiently by automating processes that would otherwise consume time; time that could be better spent on other forms of care than medication management. Dosell is designed to be used by the patient at home, in healthcare settings, or in elderly care. Dosell dispenses medication pouches to the patient at specified times indicated on the pouch. At the same time, a caregiver, relative, or friend can be connected to the Dosell unit via a mobile app or alarm platform to monitor adherence and whether the patient has taken their medication at the specified time. If, for example, a medication has not been taken, an alert is sent to the caregiver or a relative. This results in increased patient safety and greater independence for the patient. In Sweden, over 280,000 people currently use medication pouches according

to the eHealth Authority, and this number is expected to grow as the population ages. The smart pillbox developed by Pilloxa also ensures adherence and provides data for patients who do not receive their medications in pouches but still need a tool to ensure the right medication at the right time. Together with Dosell, Pillbox, and mobile applications, iZafe can ensure adherence throughout the patient journey.

Business model

iZafe Group's products and services are sold through selected corporate partners with local market knowledge. iZafe Group receives recurring revenue in the form of license fees from sales to public and private welfare and healthcare partners, as well as subscription fees from sales to consumers. In addition to recurring revenue, a hardware cost is charged for each Dosell and Pillbox. B2B sales target partners who develop and sell digital welfare and healthcare platforms. This means that iZafe Group does not need to build a large sales organization but can leverage the expertise of its respective partners. B2C sales currently take place on Dosell's own website for the Swedish consumer market. In markets outside of Sweden, B2C sales are to be conducted through partners offering integrated welfare and healthcare solutions directly to consumers.

Increasing Partnership Distribution and Rising B2C Interest

iZafe Group currently has partners committed in eight countries in Europe. The growing interest in the Dosell medication robot is evident, and several additional entities are interested in the opportunity to sell Dosell. The focus will continue to be on ensuring quality-assured implementation, training, support, and delivery in line with increased volumes. The company sees an increased interest in being able to ensure medication adherence independently and safely.

Dosell consolidates its position in the European market.

One of iZafe Group's central focus areas has been to ensure that Dosell meets the needs of both partners and patients. The primary focus for the upcoming period will be to ensure high-quality delivery and implementation in line with the commitments of our partners as previously communicated. Furthermore, iZafe will continue to work on identifying growth opportunities through acquisitions, new partnerships, and further development and commercialization of products and services with partners to facilitate more patients in getting the right medication at the right time.



Key figures

THE GROUP

TSEK	2024	2023	2023
	Jan-Mar	Jan-Mar	Jan-Dec
Net sales	3,410	228	1,822
Operating result (EBIT)	-5,569	-5,051	-35,635
Operating income before depreciation and amortization (EBITDA)	-4,588	-2,969	-12,649
Profit after financial items (EBT)	-5,609	-5,187	-35,716
Earnings per share before/after dilution, SEK	-0.02	-0.02	-0.14
Equity per share, SEK	0.1	0.2	0.1
Equity ratio, %	67.5%	84.1%	73.2%
Share price at the end of the period, SEK	0.2	0.3	0.3
Number of shares at the end of the period	250,586,171	250,586,171	250,586,171
Average number of outstanding shares	250,586,171	174,217,119	231,755,446
Average number of employees	7	8	7
Number of employees at the end of the period	7	7	7

Definitions

Operating profit (EBIT)

Profit before financial items.

Operating income before depreciation and amortization (EBITDA)

Profit before tax, financial items, and depreciation

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, JANUARY-MARCH 2024

Net sales for the quarter amounted to 3,410 TSEK (228), representing an organic growth approximately 15 times higher than the corresponding quarter of the previous year. The quarter's revenue consists of income attributable to the sale of the digital pharmaceutical robot Dosell, which generates revenue through both hardware sales and a recurring subscription fee, as well as revenue from the sale of the medical device Pilloxa. A significant portion of the growth is attributed to sales to our Dutch customer, IVE Ventures.

Other operating income amounted to 396 TSEK (393) and relates to the subletting of part of the company's premises.

Cost of goods sold for the quarter amounted to -4,042 TSEK (-17) and relates entirely to costs related to sold and delivered Dosell units and the medical device Pilloxa. The gross profit for the quarter is negative due to IVE Ventures receiving an introductory discount for their initial large hardware order, and costs increased due to implementation adjustments.

Other external expenses for the quarter amounted to 2,111 TSEK (1,889). This includes ongoing costs for commercialization and ongoing modifications of Dosell. The company continuously reviews the cost structure and streamlines procurement to reduce overall costs.

Personnel costs for the quarter amounted to 2,238 TSEK (1,684). The increase in personnel costs is attributed to employees receiving a one-time bonus as per the resolution of the general meeting during the quarter to participate in the company's incentive program regarding options. The number of employees at the end of the period was 7 people, the same as for the corresponding period of the previous year.

Depreciation of intangible assets for the quarter amounted to 714 TSEK (1,756) and relates to capitalized development expenses related to Dosell. The previous year's quarter also includes depreciation of the goodwill arising from the acquisition of Pilloxa. During the fourth quarter of 2023, a one-time impairment of 15,234 TSEK was carried out regarding goodwill and intangible assets arising from the acquisition of Pilloxa. The impairment does not affect cash flows. Depreciation of tangible assets for the quarter amounted to 267 TSEK (326) and relates to depreciation of leases and fixtures.

The net financial result for the quarter amounted to -40 TSEK (-136) and relates to interest on lease liabilities and deferment from the Swedish Tax Agency. The previous year's quarter also includes interest on liabilities to credit institutions.

Tax on the period's result amounted to 0 TSEK (180) and pertains to the comparison year's dissolution of deferred tax related to goodwill arising from the acquisition of Pilloxa.

The period's result amounted to -5,609 TSEK (-5,007). Earnings per share amounted to -0.02 SEK (-0.02).



FINANCIAL POSITION, CASH FLOW AND LIQUIDITY

The cash flow from operating activities for the quarter amounted to -4,109 TSEK (-4,203) as a result of adapting Dosell for foreign markets and commercializing the products in combination with continued limited revenues.

The cash flow from investing activities for the quarter amounted to -346 TSEK (-236), mainly attributable to intangible assets. The company is further developing Dosell, and this work will enable Dosell to be compatible with modern technology. All investments related to this development are capitalized.

The cash flow from financing activities for the quarter amounted to -295 TSEK (18,266) and relates to the amortization of lease liabilities and deferrals to the Swedish Tax Agency, as well as the receipt of option proceeds. The previous year's quarter was also affected by liquidity received from the issuance of shares with the support of subscription rights.

Cash and cash equivalents at the end of the period amounted to 1,084 TSEK compared to 5,834 TSEK as of December 31, 2023. Cash and cash equivalents have decreased as a result of the loss during the first quarter of the year.

The balance sheet total at the end of the quarter amounted to 29,399 TSEK (62,436). The balance sheet total has mainly decreased due to the impairment of goodwill and intangible assets arising from the acquisition of Pilloxa in the fourth quarter of 2023.

INVESTMENTS AND DEVELOPMENT EXPENDITURE

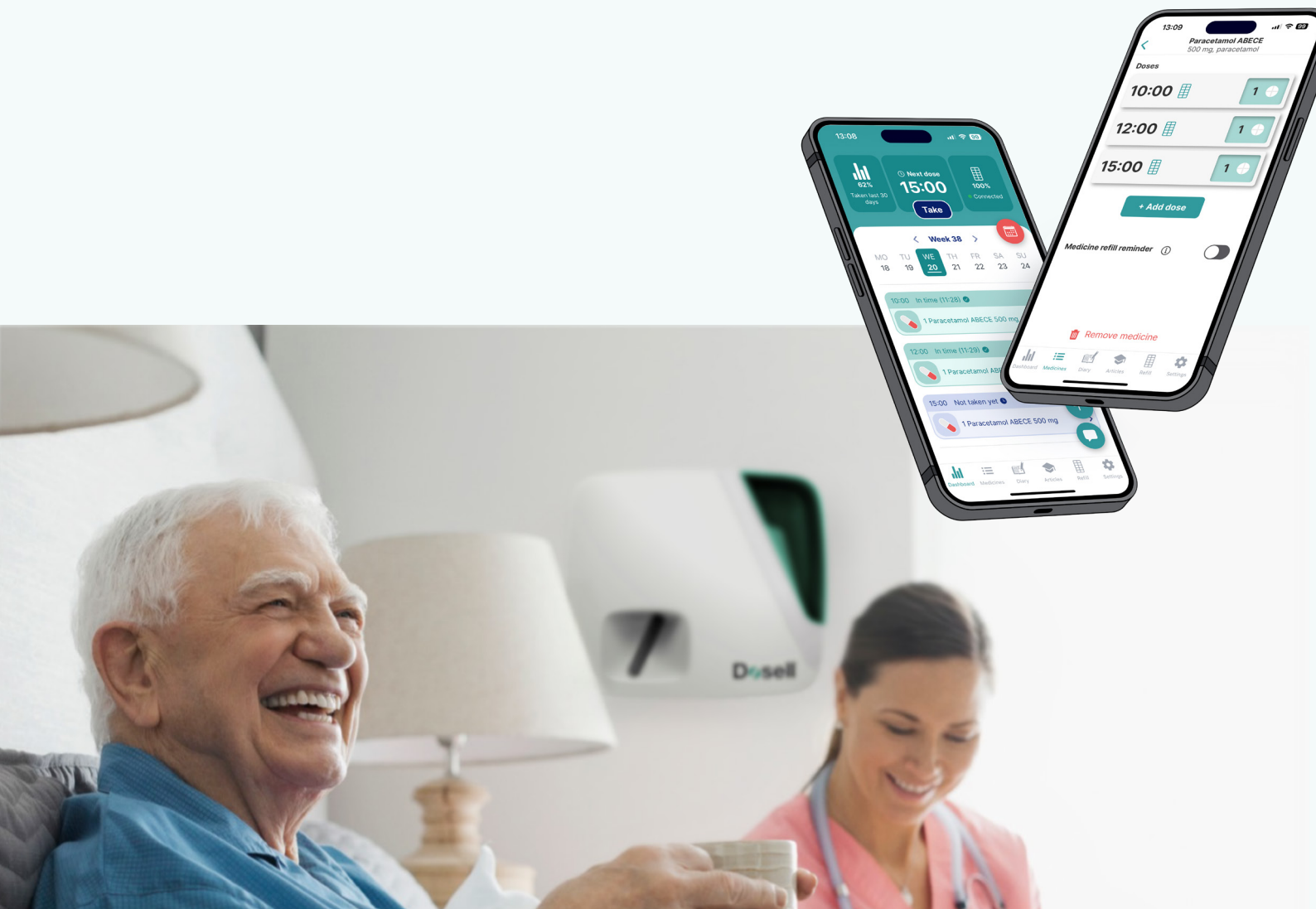
Investments in the quarter amounted to 346 TSEK (236) and mainly concern capitalized development costs related to the further development of Dosell. Development work for Dosell 3.0 is primarily capitalized.

CONTINUING OPERATIONS

The company's ability to cover future liquidity needs is largely dependent on its sales performance and profitability. With current cash reserves, implemented cost savings, and revenue from future contracts, the company's liquidity for the next 12 months is secured. Therefore, the Board assesses that, at the time of this report, there is no uncertainty regarding the company's continued operations. However, it should be noted that there are no guarantees that the company can secure additional necessary liquidity if needed.

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	2024	2023	2023
	Jan-Mar	Jan-Mar	Jan-Dec
Operating income			
Net sales	3,410	228	1,822
Other operating income	396	393	1,573
Total revenue	3,806	621	3,395
Operating costs			
Goods for resale	-4,042	-17	-1,529
Other external expenses	-2,111	-1,889	-7,574
Personell costs	-2,238	-1,684	-6,925
Depreciation of tangible and intangible assets	-981	-2,082	-22,986
Other operating expenses	-3	0	-16
Other costs	-9,375	-5,672	-39,030
Operating profit/loss	-5,569	-5,051	-35,635
Net financial items	-40	-136	-81
Profit/loss after financial items	-5,609	-5,187	-35,716
Tax on profit for the period	0	180	3,541
PROFIT/LOSS FOR THE PERIOD	-5,609	-5,007	-32,175
Basic earnings per share (SEK)	0.0	0.0	-0.1

Condensed statement of financial position

GROUP

TSEK	2024 31-Mar	2023 31-Mar	2023 31-Dec
ASSETS			
Non-current assets			
Balanced development expenditure	17,823	19,241	18,216
Goodwill	0	1,542	0
Other intangible assets	45	16,387	51
Tangible fixed assets	127	140	114
Right-of-use assets	2,159	3,165	2,410
Current assets			
Inventories	3,704	5,227	4,052
Accounts receivable	3,662	412	3,223
Current receivable	795	794	714
Cash and cash equivalents	1,084	15,528	5,834
Total assets	29,399	62,436	34,614
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	50,117	50,117	50,117
Other capital contributions	131,071	130,688	130,983
Retained earnings including profit/loss for the period	-161,356	-128,284	-155,747
Total shareholders' equity	19,832	52,521	25,353
Non-current liabilities			
Deferred tax liability	0	3,361	0
Interest-bearing liabilities	372	276	372
Lease liabilities	1,219	2,278	1,487
Current liabilities			
Interest-bearing liabilities	0	144	279
Lease liabilities	1,048	1,000	1,037
Accounts payable	4,842	452	1,224
Other current liabilities	2,086	2,404	4,862
Total liabilities	9,567	6,554	9,261
Total equity and liabilities	29,399	62,436	34,614

Condensed statement of changes in equity

GROUP

TSEK	2024	2023	2023
	Jan-Mar	Jan-Mar	Jan-Dec
Equity, opening balane	25,353	38,961	38,961
Total result			
The result of the period	-5,609	-5,007	-32,175
Transactions with owners			
Issue with warrent rights	0	19,361	19,361
Share issue expenses	0	-794	-794
Warrent rights, paid premium	88	0	0
Equity, closning balance	19,832	52,521	25,353

Condensed statement of cash flows

GROUP

TSEK	2024	2023	2023
	Jan-Mar	Jan-Mar	Jan-Dec
Operating profit/loss	-5,569	-5,051	-35,635
Adjustments for non-cash items	981	2,082	22,986
Interest received, etc.	0	0	159
Interest paid, etc.	-40	-136	-240
Tax paid	0	0	0
Cash flow from operating activities before change in working capital	-4,628	-3,105	-12,730
Cash flow form changes in working capital	519	-1,098	1,474
Cash flow from operating activities	-4,109	-4,203	-11,256
Cash flow from investment activities	-346	-236	-1,457
Cash flow from financing activities	-295	18,266	16,846
The period's cash flow	-4,750	13,827	4,133
Cash and cash equivalents at the beginning of the period	5,834	1,701	1,701
Cash and cash equivalents at close of period	1,084	15,528	5,834

Distribution of revenues

TSEK	2024	2023	2023
	Jan-Mar	Jan-Mar	Jan-Dec
Dosell	3,309	153	1,244
Pilloxa	101	75	578
Total	3,410	228	1,822

Reporting by business segment

TSEK	2024	2023	2023
	Jan-Mar	Jan-Mar	Jan-Dec
External revenue			
Dosell	3 309	153	1 244
Pilloxa	101	75	578
	3 410	228	1 822
Direct costs			
Dosell	-4 042	-9	-1 521
Pilloxa	0	-8	-8
	-4 042	-17	-1 529
Contribution margin			
Dosell	-733	144	-277
Pilloxa	101	67	570
	-632	211	293
Other items			
Other operating income	396	393	1 573
Other external costs	-2 114	-1 889	-7 590
Personnel costs	-2 238	-1 684	-6 925
	-3 956	-3 180	-12 942
Operating profit before depreciation	-4 588	-2 969	-12 649

Condensed income statement

PARENT COMPANY

TSEK	2024	2023	2023
	Jan-Mar	Jan-Mar	Jan-Dec
Operating income			
Net sales	450	450	1,800
Other operating income	396	390	1,571
Total revenue	846	840	3,371
Operating costs			
Other external expenses	-1,241	-1,509	-5,310
Personnel costs	-934	-800	-3,019
Depreciation and amortization of property, plant and equipment, and intangible assets	-12	-13	-51
Total costs	-2,187	-2,322	-8,380
Operating profit/loss	-1,341	-1,482	-5,009
Net financial items	0	-90	-13,545
Profit/loss after financial items	-1,341	-1,572	-18,554
Tax on profit for the period	0	0	0
PROFIT/LOSS FOR THE PERIOD	-1,341	-1,572	-18,554

Condensed balance sheet

PARENT COMPANY

TSEK	2024	2023	2023
	31-Mar	31-Mar	31-Dec
ASSETS			
Non-current assets			
Property, plant and equipment	79	130	92
Non-current financial assets	32 000	35 112	32 000
Current assets			
Current receivables	4 970	6 833	2 207
Cash and bank balances	866	15 200	5 311
Total assets	37 915	57 275	39 610
SHAREHOLDERS' EQUITY AND LIABILITIES			
Restricted equity			
Share capital	50 117	50 117	50 117
Unrestricted equity			
Share premium reserve	130 628	130 628	130 628
Retained earnings including profit/loss for the period	-144 467	-126 231	-143 213
Total shareholders' equity	36 278	54 514	37 532
Current liabilities			
Accounts payable	483	206	580
Other current liabilities	1 154	2 555	1 498
Total liabilities	1 637	2 761	2 078
Total equity and liabilities	37 915	57 275	39 610

Accounting principles, risks, and other information.

NOTE 1. 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 (org. no. 556762-3391), is a public limited company headquartered in Stockholm, Sweden. The company's B-shares are listed on the Nasdaq First North Growth Market. iZafe Group AB has two wholly-owned subsidiaries, the subsidiary Dosell AB (org. no. 556898-3018) and the subsidiary Pilloxa AB (org. no. 559019-3354).

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.

NOTE 2. 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 2024. None of these are expected to have an impact on the Group's financial reports.

NOTE 3. TRANSACTIONS WITH RELATED PARTIES

The company's board has invoiced consulting services from 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.

NOTE 4. 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.



NOTE 5. SIGNIFICANT RISKS AND UNCERTAINTIES

The group's operations consist of selling the patented medication robot Dosell along with associated subscription fees. Dosell has recently been launched on the market. Therefore, it is not yet possible to draw far-reaching conclusions about the market's acceptance of the product or observe any trends in sales and profitability. Furthermore, the company relies on intellectual property rights that are difficult to protect through registration. The developed technical platform for Pilloxa follows the same risk pattern as Dosell, given that the company is relatively young.

The company's ability to cover future liquidity needs largely depends on its sales results and profitability. With current liquid assets, cost savings, and revenues from future contracts, the company's liquidity for the next 12 months is secured. Therefore, the board assesses that, at the time of this report, there is no uncertainty regarding the company's ongoing operations. However, it should be noted that there are no guarantees that the company can secure additional necessary liquidity if needed.

NOTE 6. SEGMENTS

The Group operates in two segments: Dosell and Pilloxa.

NOTE 7. IZAFE SHARES

iZafe has issued two classes of shares, A-shares and B-shares. The B-share is traded on the Nasdaq First North Growth Market.

Each A-share carries ten votes per share, while each B-share carries one vote per share. As of March 31, 2024, the share capital amounted to 50,117,234 SEK, divided into 600,000 A-shares and 249,986,171 B-shares, with a nominal value of 0.2 SEK per share.

NOTE 8. OPTIONS

The group has four outstanding stock option programs.

TO11 - Incentive program for certain employees

Each TO11 option entitles the holder to subscribe for one (1) new Series B share in the Company against cash payment equivalent to 200 percent of the volume-weighted average price according to Nasdaq's official stock exchange list for shares during the 10 trading days immediately preceding the extraordinary general meeting. The subscription price is therefore SEK 0.88. Subscription for the shares under the option terms shall be made during the period from November 1, 2025 to November 30, 2025. The total number of options in TO11 is 1,700,000.

Upon full exercise, the share capital will increase by SEK 340,000. The options are subject to customary adjustment conditions in connection with issuances, etc.

TO12 - Incentive Program for Board Members

Each option of series TO12 entitles the holder to subscribe for one (1) new B-share in the Company against cash payment corresponding to 200 percent of the volume-weighted average price according to Nasdaq's official price list for the shares during the 10 trading days immediately preceding the extraordinary general meeting. The subscription price is thus 0.88 SEK. The subscription of shares under the option program is to be made in accordance with the terms of the options during the period from November 1, 2025, to November 30, 2025. The total number of options in TO12 is 2,900,000.

Upon full exercise, the share capital will increase by 580,000 SEK. The options are subject to customary adjustment conditions in connection with share issues, etc.

LTIP 2023 - Incentive Program for CEO, Executives, and Other Employees

LTIP 2023 comprises three series of options for the Company's CEO, executives, and other employees. Participants are offered to acquire an equal number of options of each series. LTIP 2023 comprises a total of approximately 7,900,000 options, which together entitle the holder to subscribe for a maximum of approximately 13,180,000 B-shares.

Each series of options entitles the holder to subscribe for B-shares in the Company at the par value of the B-share of 0.20 SEK per B-share, subject to a certain share price for the Company's B-share on Nasdaq First North Growth Market (or another trading venue in the event of a listing change) has been achieved as the average closing price for the ten trading days preceding the first day of exercise of the options. Upon full exercise, the share capital will increase by approximately 2,636,000 SEK. The options are subject to customary adjustment conditions in connection with share issues, etc. The number of B-shares that each series entitles to subscribe for, the subscription period, and the Share Price Target for each series are specified below.

Series	Total number of options per series	B shares per option upon exercise	Share price target	Exercise price per B share at the achievement of the Share Price Target	Exercise period
A	2,635,959	2	250%	Par value (0.20 kr)	1-31 December 2025
B	2,635,959	2	375%	Par value (0.20 kr)	1-31 December 2025
C	2,635,959	1	500%	Par value (0.20 kr)	1-31 December 2025

TO14B - Warrants issued in connection with the Directed Share Issue 2024

One (1) warrant of series TO14B entitles the holder to subscribe for one (1) new B-share in the Company during the period from September 30, 2024, to October 14, 2024. The subscription price for shares subscribed for under the warrants of series TO14B amounts to 70 percent of the volume-weighted average price of the Company's B-share on the Nasdaq First North Growth Market during the period from September 13, 2024, to September 26, 2024, however not less than the nominal value of the share (currently 0.20 SEK) and not more than 0.30 SEK.

Upon the exercise of all warrants of series TO14B issued in the TO Issue, the number of outstanding shares will increase by an additional 25,053,288 shares, from 275,586,171 shares to 300,639,459 shares, and the share capital will increase by an additional 5,010,657.60 SEK, from 55,117,234.20 SEK to 60,127,891.80 SEK.

In addition to the aforementioned option program, there are currently no other outstanding warrants, convertibles, or similar financial instruments that may entitle the subscription of new shares or otherwise affect the share capital of the company.

The maximum dilution effect of the option programs amounts to approximately 10% 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

Mangold Fondkommission.

UPCOMING FINANCIAL REPORTS

2024-04-30	2023 Annual Report
2024-08-30	Q2 2024 Interim Report
2024-11-01	Q3 2024 Interim Report
2025-02-14	2024 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, April 26, 2024.

iZafe Group AB (publ.)

Anders Segerström	CEO
Björn Rosengren	Chairman of the Board
Göran Hermansson	Vice Chairman of the Board
Bo Johansson	Board Member
Richard Wolff	Board Member
Magnus Engman	Board Member

CONTACT



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