

MONTHLY UPDATE – OCTOBER: GROWTH, INTEGRATION AND INTERNATIONAL EXPANSION

October has been marked by strong progress on multiple fronts. We continue to grow in Sweden, integrate our operations in the Netherlands, take important steps in Finland and launch a groundbreaking pilot in Spain. With a clear focus on quality, partnerships and execution, we enter the final months of the year well-positioned to reach our goals – and build further momentum heading into 2026.

Sweden – Growing customer base, new pilots and increased visibility

We now have more than 20 Swedish municipalities using or actively testing Dosell – and interest continues to grow month by month. In October,

Several municipalities signed new pilot agreements during the month, scheduled to begin in November and December. We are also seeing increased interest from nursing homes (SÄBO), where Dosell is viewed as a concrete solution to reduce medication errors and strengthen residents' independence.

To meet the growing demand, we have recruited two new salespeople focusing on the municipal and private care sectors. Their role is to support implementation, follow up on leads and drive continued expansion.

Meanwhile, the ADDA procurement process – Sweden's first national framework agreement for medication dispensing robots – is now in its final phase. The estimated annual contract value of SEK 200 million highlights a maturing market and confirms Dosell's strong position heading into 2026.

The Netherlands – Integration and continued growth

Following the acquisition of Thuisapparatuur Nederland B.V., our focus has been on fully integrating operations into the Group. The Dutch team has maintained close customer engagement, participated in fairs, onboarded a new customer, and increased volumes with existing ones. We have also initiated new platform integrations and are working on improved packaging to further enhance the user experience.

Dosell is currently in use across more than 30 care organisations in the Netherlands – Europe's most mature market for medication dispensing robots. Yet growth potential remains significant: over 600,000 people in the country receive medications in pouch packaging, but only around 17,000 medication dispensers are currently in operation. Our solution, developed in this complex environment, is now both technically advanced and highly user-friendly – positioning us strongly to lead the next phase of market growth.

Finland – Strong interest and technical readiness

Together with our partner AddSecure, we have completed all preparatory work ahead of the rollout to existing customers. This includes full integration with the leading UMO/Enovation care platform, training materials, system flows, and pilot testing.

Interest from both private care providers and public welfare areas is very high – Dosell is seen as a concrete and sought-after solution to improve adherence, reduce deviations, and free up time for care staff.

Next week, we will participate in Finland's largest home care and assisted living trade fair – KOPA 2025 – together with AddSecure, further strengthening our local presence and enabling key customer dialogues.

Spain – Pharmacy launch with Ti Medi

In Spain, we are taking the next step together with our partner Ti Medi, who collaborates with over 1,600 pharmacies that serve more than 200,000 patients receiving pouch-packed medications.

In November, we are launching an initial pilot across approximately 10 pharmacies where Dosell will be physically available in-store. Customers can easily bring Dosell home and register their subscription digitally. The launch will be supported by Black Friday and holiday campaigns, with the goal of establishing a new, safe, and accessible solution for home-based medication management.

The concept of medication dispensers is new to the Spanish market, but with Ti Medi as our partner, we have strong local reach and the right channels to engage both patients and families. They have also begun promoting the concept in their operations in Portugal and France, where Dosell is now being introduced via trade fairs and local initiatives. The next step will be Italy, where a similar rollout is planned.

Finance & Forecast – On track

Our financial performance in Q3 shows that we've established a stable and scalable business model based on recurring revenues. At the beginning of Q4, our ARR reached approximately SEK 7 million – a fourfold increase since the start of the year – and we remain on track to meet our target of SEK 10 million ARR during Q4. The recently acquired Dutch company generated approximately SEK 1 million in revenue during Q3, which was not consolidated but will contribute from Q4 onwards.

At the same time, we've improved our cost structure, strengthened cash flow, and created a better foundation for long-term profitable growth. EBITDA improved significantly compared to the same period last year, despite lower overall revenues – a clear sign of increased operational efficiency.

Looking ahead – Key focus areas through year-end

We are now entering the most intense period of the year. Our focus for November and December includes:

- Finalisation and submission of the ADDA procurement (deadline: 10 November)
- Onboarding of additional municipalities in Sweden
- Expanded outreach to nursing homes (SÄBO) and broader engagement with the private care sector
- Continued product demos and pilot discussions with municipalities
- Ongoing integration and coordination of operations in the Netherlands
- Launch and evaluation of the pharmacy pilot in Spain
- Continued dialogue with new potential partners across Europe

Thank you for your trust – building the future of medication management

We are still a small team – but a highly dedicated one. With a stronger offering, growing recurring revenues, and rapid international expansion, we are entering 2026 with the right conditions to continue delivering – both in the market and toward our strategic goals.

Thank you for following our journey.

We're only just getting started.

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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. The company's Certified Adviser is DNB Carnegie Investment Bank AB. Further information is available at www.izafegroup.com

Image Attachments

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Attachments

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