

IZAFE GROUP RESOLVES ON A DIRECTED SHARE ISSUE OF APPROXIMATELY SEK 10 MILLION

iZafe Group AB (publ) ("iZafe" or the "Company") announces today that the Board of Directors has resolved, based on the authorization granted by the Annual General Meeting on May 28, 2025, on a directed share issue of 43,478,261 Class B shares at a subscription price of SEK 0.23 per share, with deviation from the shareholders' preferential rights (the "Directed Share Issue"), to external investors as well as a number of existing shareholders. The subscription price corresponds to a discount of approximately 11.5 percent compared to the closing price on Nasdaq First North Growth Market on June 26, 2025. Through the Directed Share Issue, iZafe will receive gross proceeds of approximately SEK 10 million before issue-related costs.

"Over the past six months, we have taken important steps that strengthen our market position – with clear growth in both Sweden and the Netherlands as well as strong demand from additional markets. At the same time, we are seeing a multiplied revenue and a steady increase in active units. By now raising new capital from both long-term shareholders and new investors, we ensure that we can continue to develop the business at a high pace and deliver according to the plan we have clearly communicated. This share issue is a sign of strength and a result of the trust that has been built – not only in our product portfolio, but also in the team, our strategy, and the market potential ahead. We are convinced that this step benefits all shareholders and lays the foundation for continued growth and value creation," comments Anders Segerström, CEO of iZafe Group AB.

The Directed Share Issue

The Directed Share Issue comprises 43,478,261 Class B shares and has been resolved by the Board of Directors based on the authorization granted by the Annual General Meeting held on May 28, 2025. The right to subscribe for shares in the Directed Share Issue is granted to external investors and a number of existing shareholders. The subscription price is SEK 0.23 per share, representing a discount of approximately 11.5 percent compared to the closing price on Nasdaq First North Growth Market on June 26, 2025. The subscription price has been determined through arm's length negotiations with external investors in the Directed Share Issue, in consultation with the Company's financial advisor Stockholm Corporate Finance AB, and based on an analysis of several market factors. The Directed Share Issue also enables the Company to capitalize on the current interest in the Company's shares among the subscribers at a price in line with the prevailing market price. The Board of Directors therefore assesses that the subscription price has been determined on market terms considering current market conditions. Through the Directed Share Issue, the Company will receive approximately SEK 10 million before transaction-related costs, which are estimated to amount to approximately SEK 0.29 million. The subscribers in the Directed Share Issue include both existing long-term shareholders of the Company – Eva Redhe, Gästrike Nord Invest AB, Stefan Wård, Filippa Landström, Junior Farma S.L. and Massimiliano Franzé – and new shareholders Erik Dahlberg, Rustan Panday, and Olle Olsson.

Background and Rationale for the Directed Share Issue

The purpose of the Directed Share Issue is to finance accelerating growth, execute strategic investments, and strengthen liquidity to enable repayment of an existing loan including interest, amounting to SEK 5.7 million, from Exelity AB. The remaining capital, approximately SEK 4.3 million before issue-related costs, strengthens iZafe's working capital and ensures greater capacity to meet the clearly increasing demand for Dosell in existing and new markets.

Deviation from the Shareholders' Preferential Rights

The purpose of the Directed Share Issue and the reason for the deviation from the shareholders' preferential rights is to carry out a capital raise in a time- and cost-efficient manner. The Board has evaluated the possibility of primarily conducting a rights issue. The Company has weighed the advantages and disadvantages of a rights issue compared to a directed share issue and concluded that a rights issue (i) would be significantly more time-consuming and may risk the Company missing potential growth opportunities, (ii) would result in considerably higher issue-related costs, primarily due to the procurement of a guarantee consortium and legal fees, (iii) would expose the Company to greater market volatility, and (iv) would likely need to be conducted at a lower subscription price and result in higher dilution, which would disadvantage all shareholders. In addition, a rights issue would not provide the Company with capital in time to repay short-term debt financing, thus impairing the ability to meet such obligations. The Directed Share Issue also allows the Company to take advantage of current investor interest in its shares at a price aligned with the prevailing market price. Given the above and after careful consideration, the Board assesses that the Directed Share Issue is the most favorable financing option for iZafe and in the best interest of both the Company and its shareholders, and therefore also justifies a deviation from the main rule of shareholders' preferential rights. The subscription price in the Directed Share Issue has been determined through arm's length negotiations with the new external investors, based on the prevailing share price of the Company's Class B shares. Furthermore, the Board has ensured the market-based nature of the subscription price in consultation with financial advisors, based on current market conditions and previously indicated price levels in discussions with potential investors. In the Board's assessment, the market terms of the price have thus been confirmed through this process. The reason for including existing shareholders in the Directed Share Issue is partly that this was part of the negotiation with the new external investors, and partly because the Board deemed it strategically wise to include these long-term and committed shareholders in the Directed Share Issue – to help strengthen the credibility and trust in the Company on the market, for the benefit of all shareholders.

Number of Shares, Share Capital, and Dilution

Through the Directed Share Issue, the Company's share capital will increase by SEK 2,173,913.05, from SEK 16,086,808.55 to SEK 18,260,721.60, through the issuance of 43,478,261 Class B shares. This means that the total number of shares will increase from 321,736,171 to 365,214,432 shares, of which 600,000 are Class A shares carrying ten (10) votes per share at the general meeting, and 364,614,432 are Class B shares carrying one (1) vote per share. The Directed Share Issue entails a dilution of approximately 11.9 percent of the share capital for existing shareholders, calculated as the number of Class B shares issued in the Directed Share Issue divided by the total number of shares in the Company after the share issue.

Advisors

Stockholm Corporate Finance is acting as financial advisor and LW Advisory as legal advisor to iZafe in connection with the Directed Share Issue. Aqurat Fondkommission is acting as issuing agent in connection with the Directed Share Issue.

Important Information

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This press release is not a prospectus within the meaning of Regulation (EU) 2017/1129 (the "Prospectus Regulation") and has not been approved by any regulatory authority in any jurisdiction. The Company has not approved any offer to the public of securities in any EEA member state and no prospectus has been or will be prepared in connection with the Directed Share Issue. In each EEA member state, this communication is only addressed to "qualified investors" in that member state as defined in the Prospectus Regulation.

This press release does not identify or purport to identify the risks (direct or indirect) that may be associated with an investment in the new shares. Any investment decision to acquire or subscribe for new shares in the Directed Share Issue must be made solely based on publicly available information, which has not been independently verified by the financial advisor.

This press release does not constitute a recommendation concerning any investor's decision regarding the Directed Share Issue. Each investor or potential investor should conduct their own investigation, analysis, and evaluation of the business and information described in this press release and all publicly available information. The price and value of securities can decrease as well as increase. Past performance is not an indication of future performance. Neither the content of the Company's website nor any other website accessible through hyperlinks on the Company's website is incorporated into or forms part of this press release.

Failure to comply with these instructions may constitute a violation of the Securities Act or applicable laws in other jurisdictions.

Forward-looking Statements

This press release contains forward-looking statements that reflect the Company's intentions, beliefs, or current expectations regarding and targets for the Company's future operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies, and opportunities, as well as the markets in which the Company operates. Forward-looking statements are statements that are not historical facts and can be identified by words such as "believe," "expect," "anticipate," "intend," "may," "plan," "estimate," "will," "should," "could," "aim" or "might," or, in each case, their negative or similar expressions. The forward-looking statements in this press release are based on various assumptions, many of which in turn are based on additional assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, actual results or outcomes could differ materially from those described in the forward-looking statements. Such risks, uncertainties, contingencies, and other important factors could cause actual events to differ materially from the expectations expressed or implied by the forward-looking statements in this press release. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are error-free and accepts no responsibility for the future accuracy of the opinions expressed in this press release or any obligation to update or revise the statements in this press release to reflect subsequent events. The information, opinions, and forward-looking statements contained in this press release speak only as of its date and may be subject to change without notice. The Company undertakes no obligation to review, update, confirm, or release any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this press release.

Contacts

Anders Segerström, Chief Executive Officer
E-mail: anders.segerstrom@izafegroup.com
Phone number: **+46 70-875 14 12**

iZafe Group AB (publ.)
David Bagares gata 3
111 38 Stockholm

E-mail: ir@izafegroup.com
www.izafegroup.com
eucaps.com/izafe-group

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

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 2025-06-27 15:00 CEST.

Image Attachments

Affärer Partners

Attachments

iZafe Group resolves on a directed share issue of approximately SEK 10 million