

MONTHLY LETTER AUGUST – PRODUCTION UNDERWAY AND FOCUS ON AUTUMN IMPLEMENTATIONS

August, as is normally the case during the summer holiday period, was a quieter month in terms of new implementations. At the same time, production of the new batch of approximately 1,300 Dosell units is underway. Around 250 units were delivered to the Netherlands at the end of August, with further deliveries continuing on an ongoing basis. Our focus is now increasingly shifting to the next step – converting available units, existing agreements and ongoing customer processes into installations and more active Dosell units during the autumn.

From production to active Dosell units

The availability of new Dosell units has been a limiting factor during parts of the first half of the year. With production now underway and the first larger deliveries completed, we have reached an important milestone.

At the same time, production and delivery are only the beginning of the commercial process. The long-term value of our business model is created when Dosell units are installed, activated and begin generating recurring revenue.

Our focus during the autumn is therefore on shortening and streamlining the entire process from agreements and customer decisions to implementation and active use.

This is also important from a capital perspective. The faster a produced unit can move from inventory to active use with a customer, the more efficiently we can use our working capital while continuing to build our recurring revenue base.

Sweden – focus on implementation and scaling

In Sweden, we continue to work with municipalities at different stages of the implementation process. Activity levels have naturally been lower during the summer, but customer dialogue, planning and preparations for upcoming launches have continued.

In municipal health and social care, the implementation of medication dispensers normally takes place in stages. An initial implementation is followed by training, organisational adoption and gradual expansion to more users and operations.

This makes expansion within existing customers at least as important to our growth as new municipal launches. Our work therefore focuses both on bringing more municipalities onto Dosell and on supporting existing customers in gradually expanding their use of the solution.

The Netherlands – preparations for continued scaling

The holiday period has also affected the pace of customer implementations in the Netherlands. During August, work continued to prepare upcoming rollouts, develop customer dialogues and ensure that the new generation of Dosell can be introduced in a structured way.

The Netherlands remains an important market for iZafe Group. Our local organisation enables us to work closely with both existing and new healthcare organisations, while also allowing us to bring experience from Europe's most mature market for medication dispensers into our other markets.

The focus going forward is on converting the commercial activity that has been built up into more implementations and active units.

Other markets – continued partner activities

Across our other markets, activities continue primarily through local partners. In Norway, we continued our work during August with a focus on training, integrations and support in ongoing municipal processes. In Finland, work continues around market development, procurement processes and joint sales activities. In Iceland, our partner spent August preparing for the market launch, with a focus on logistics, activation and local marketing materials.

A higher pace into the autumn

September has started with a clearly higher level of activity than during the summer months. Customer meetings, implementations, training activities and partner initiatives have picked up again across several of our markets.

What matters now is that this activity is gradually reflected in more installed and active Dosell units.

As we described in our Q2 report, the time from agreements and customer decisions to revenue-generating units was longer than planned during the first half of the year. With a larger production volume now moving into the market, our focus is therefore firmly on execution – from delivery to installation, active use and recurring revenue.

The autumn will be an important period, with a clear focus on implementation, scaling and continuing to build our recurring revenue base.

We remain focused on making Dosell a natural part of the future of medication management.

Thank you for following our journey.

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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

Grandparents With Child

Attachments

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