



Quarterly Report

Second Quarter 2025

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

- ✓ Total net revenue for the quarter amounted to 1,136 TSEK (168), now primarily consisting of recurring license revenues, with only a small share attributable to hardware sales. This is in clear contrast to the same period last year, when license revenues were marginal. The development reflects that our business model is now firmly established, providing a stable foundation of recurring revenues.

- ✓ Operating result (EBIT) for the quarter amounted to -4,277 TSEK (-4,011).

Operating result before depreciation and amortization (EBITDA) for the quarter amounted to -3,295 TSEK (-3,027). The outcome is primarily explained by strategic inventory adjustments, where older components no longer relevant for production have been phased out,

- ✓ as well as continued investments in development. These initiatives are part of our long-term strategy aimed at strengthening the product portfolio and securing the company's future growth and success.

- ✓ Result after financial items for the quarter amounted to -4,503 TSEK (-4,037).

- ✓ Cash flow from operating activities for the quarter amounted to -1,715 TSEK (-4,155).

- ✓ Earnings per share for the quarter before/after dilution amounted to -0.01 SEK (-0.02).

Equity per share at the end of the period amounted to 0.03 SEK (0.07).

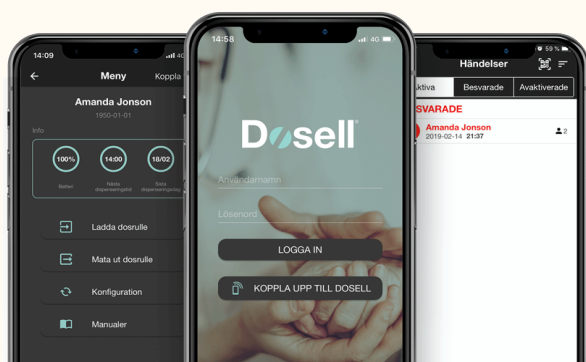
The equity ratio at the end of the period was 50.1% (73.3%).

Significant events during the quarter

- ✓ iZafe Group AB has signed a Letter of Intent (LOI) with Germany-based JDM Innovation GmbH, part of the PHOENIX group, to integrate the Dosell medication robot with the Smila dose dispenser into a joint digital platform for in-home medication management. The collaboration targets municipalities and healthcare providers across Europe, aiming to simplify implementation, improve adherence, and free up time in healthcare.
- ✓ iZafe Group AB has reached a significant milestone with over 1,000 active Dosell units in operation across Europe. This marks a breakthrough for the company's commitment to safe and digital in-home medication management and demonstrates that the solution is now established and scalable. The milestone was celebrated with an investor event in Stockholm on June 12.
- ✓ iZafe Group AB has carried out a directed share issue of approximately 10 MSEK through the issuance of 43.48 million Class B shares at a subscription price of 0.23 SEK per share. The proceeds will be used to repay a loan to Exelity AB, as well as to strengthen working capital and finance continued growth and strategic investments.

Significant events after the end of the quarter

- ✓ iZafe Group AB has continued to grow during the quarter with an increase in billable Dosell units and strong demand in Sweden, the Netherlands, and Spain. Three new municipalities have initiated operations, the partner TCCN is launching Dosell TV in the Netherlands, and over 50 pharmacies in Spain have joined the Savioo Home concept. The company is experiencing growing commercial momentum and is engaged in discussions with new partners for continued expansion.
- ✓ iZafe Group AB has launched an exclusive shareholder offer in which private individuals holding shares worth at least SEK 50,000 are offered a free Dosell with a subscription. The aim is to reward loyalty and give more people the opportunity to experience the benefits of the company's solution for safe and adherent medication management.



Comments from CEO



iZafe Group is in the midst of a decisive transition – from product development and market cultivation to tangible growth and operational impact. The second quarter clearly demonstrates that our business model works: we are growing, we are scaling, and we have now established a recurring revenue base that provides both stability and predictability. At the same time, we are entering a phase with even greater potential, where our market position can be significantly strengthened.

Over 30% ARR growth since Q1 – more than 250% compared to last year

Our recurring revenue base (ARR) has grown by more than 30% since Q1 and is now over two and a half times higher than the same period last year. This confirms that our solution is not only gaining ground – it is actively used and perceived as value-creating. We see the results in the form of more customers, across more regions, and an increasing number of units per customer.

The Netherlands – stress test, stability and continued expansion

In the Netherlands, the number of active units increased by more than 45% during the quarter. Our partner TCCN demonstrates with great commitment how Dosell can scale rapidly when organization and demand work hand in hand. In July, we faced an unexpected stress test when our network provider experienced two major outages. Thanks to swift communication, effective crisis management, and close collaboration with our partners, the impact was minimized.

The incident served as confirmation of both robustness and collaboration – and reinforces our conviction that we have a solution capable of withstanding even unforeseen challenges. To further reduce future risks, we are now strengthening our technical redundancy. Notably, users connected via WiFi were not affected at all – a clear argument for the value of offering multiple connectivity options.

Sweden – stable base and strong pipeline for the autumn

Despite the usual summer slowdown in the municipal sector, progress in Sweden continued. Following a successful pilot, one municipality chose to terminate its previous supplier and sign a direct agreement with Dosell, including an initial order of 30 units. Three new municipalities are scheduled to launch in August, and 15 digital demonstrations are already booked.

We have thus laid the foundation for stronger geographical coverage and broader market trust – developments expected to drive a significant increase in volume during the second half of the year.

Europe – more markets, deeper partnerships

The second quarter also marked the beginning of the next phase in our European expansion. In Spain, our partner Ti Medi has taken a larger step by beginning direct collaborations with pharmacy chains to scale the use of Dosell. Interest is growing – even though the concept of medication dispensers is still new to the market. However, we see clear signs of emerging understanding and believe we are approaching a “ketchup effect.” Ti Medi works methodically, has a strong network, and is the right partner to drive progress in this important market.

In Finland, we have signed a partnership agreement with AddSecure Smart Care Oy, which has already placed its first order and has an ambitious launch plan for the autumn. This marks an important milestone in our Nordic expansion.

In addition, we signed a Letter of Intent with JDM Innovation (part of the Phoenix Group), with the aim of establishing a strategic partnership for broader European expansion. By combining our technology with their logistics expertise and established network within pharmacies and pharmaceuticals, we see strong potential to scale Dosell further.

At the same time, we continue to evaluate several other markets. Our proven business model, technical platform, and growing partner structure give us a unique position for rapid expansion as soon as the right opportunities arise.

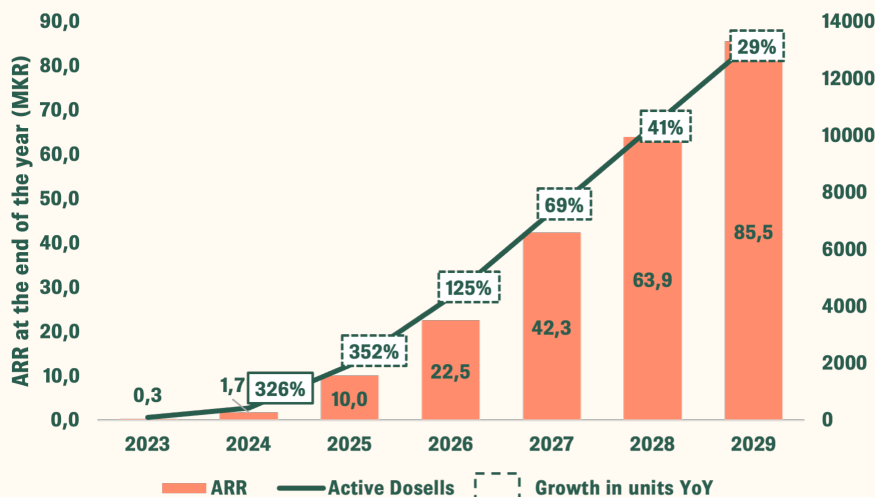
Comments from CEO

Strengthened capital base and increased shareholder engagement

During the quarter, we completed a directed share issue of approximately 10 MSEK, which strengthens our financial position and enables continued execution of our growth strategy. Our exclusive shareholder offer – giving the opportunity to test Dosell with a free subscription – has been met with strong interest, a clear sign of the growing engagement around our solution. It is also worth noting that a loan maturing on June 30 was repaid at the beginning of July, which impacts the cash position reported in this report.

Autumn 2025 – from proof to expansion

We enter the autumn with strong conditions: a product that works, a business model that scales, and a market showing increased interest. But it is now that the next phase begins – where business dialogues must be converted into concrete launches, and pilots into large-scale implementations.



The target of reaching 10 MSEK in ARR before the end of the year remains firm – and we are on track. At the same time, continued execution, focus, and close collaboration between our team, partners, and users are required to succeed.

I would like to extend a big thank you to everyone who is part of this journey. Together we are building the future of medication management – and we are only just getting started.

Stockholm in August 2025

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 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

	2025	2024	2025	2024	2025
TSEK	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Jan-Dec
Net sales	1 136	168	2 454	3 578	7 954
Operating result (EBIT)	-4 277	-4 011	-7 796	-9 580	-19 425
Operating result before depreciation and amortization (EBITDA)	-3 295	-3 027	-5 833	-7 615	-15 495
Profit after financial items (EBT)	-4 503	-4 037	-8 282	-9 646	-20 509
Earnings per share before/after dilution, SEK	-0,01	-0,02	-0,03	-0,04	-0,08
Equity per share, SEK	0,03	0,07	0,03	0,07	0,04
Equity ratio, %	50,1%	73,3%	50,1%	73,3%	40,1%
Share price at the end of the period, SEK	0,25	0,20	0,25	0,20	0,21
Number of shares at the end of the period	321 736 171	275 586 171	321 736 171	275 586 171	275 586 171
Average number of outstanding shares	316 913 094	262 278 479	311 274 293	256 464 624	266 103 979
Average number of employees	7	8	7	8	7
Number of employees at the end of the period	7	8	7	8	7

Definitions

Operating profit (EBIT)

Profit before financial items.

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, APRIL-JUNE 2025

Net revenue for the quarter amounted to 1,136 TSEK (168), with the majority now derived from recurring license revenues and only a smaller share from hardware sales. This represents a clear shift from the same period last year, when license revenues were marginal and revenue came almost entirely from hardware sales. The change is driven by the increased activation of previously delivered Dosell units, generating stable and predictable revenues. Growth continues across several of our core markets, demonstrating that our business model is well positioned for further scale-up.

Other operating income for the quarter amounted to 421 TSEK (397) and relates to the subleasing of part of the company's premises.

Cost of goods sold for the quarter amounted to -735 TSEK (193), primarily related to inventory adjustments where certain components can no longer be used in production. A smaller portion refers to costs associated with the sale and delivery of Dosell units, as well as demo products expected to generate revenue going forward.

Other external costs for the quarter amounted to -1,969 TSEK (-1,531) and include ongoing commercialization expenses as well as continuous product improvements for Dosell. The company continues to actively optimize its cost structure and streamline procurement processes, which has contributed to maintaining a stable cost level despite a higher level of activity compared to the same period last year.

Personnel costs for the quarter amounted to -2,140 TSEK (-2,136). The cost level is largely unchanged compared to the previous year, reflecting efficient use of resources, with the company successfully maintaining high competence and growth capacity while optimizing the organization.

Depreciation of intangible assets amounted to -714 TSEK (-714), related to capitalized development expenses for Dosell. Depreciation of tangible assets amounted to -268 TSEK (-270), relating to right-of-use assets and equipment.

Net financial items for the quarter amounted to -226 TSEK (-26), primarily attributable to interest on the loan raised in 2024. The item also includes interest expenses related to lease liabilities and deferred tax payments.

Tax on the period's result amounted to 0 TSEK (0).

The net result for the period amounted to -4,503 TSEK (-4,037). Earnings per share amounted to -0.01 SEK (-0.02).



FINANCIAL POSITION, CASH FLOW AND LIQUIDITY

Cash flow from operating activities for the quarter amounted to -1,715 TSEK (-4,155), primarily driven by a higher share of recurring license revenues, reduced one-off costs, and more efficient working capital utilization, resulting in a significant improvement compared to the same period last year.

Cash flow from investing activities for the quarter amounted to -181 TSEK (-222), mainly attributable to intangible investments aimed at modernizing Dosell. This development work is intended to make the product compatible with newer technologies and prepare for broader market adaptation.

Cash flow from financing activities for the quarter amounted to 2,003 TSEK (4,510) and included share issues, repayments of lease liabilities, and deferred tax payments. Both periods included proceeds from share issues, but this quarter's amount reflects only part of the total share issue decided during the period.

Cash and cash equivalents at the end of the period amounted to 825 TSEK, compared to 2,150 TSEK as of December 31, 2024. The decrease is primarily due to investments in production and adjustments to support expansion into new markets and attract more customers. These strategic initiatives are expected to strengthen the company's future revenue streams and position across several European markets. It is also important to note that the previously communicated directed share issue of approximately 9.2 MSEK has now been fully received by the company, with the final portion paid during the quarter. The recently decided directed share issue of approximately 10 MSEK is not yet reflected in the report and will further strengthen liquidity once received in the coming quarter.

Total assets at the end of the quarter amounted to 20,638 TSEK (28,110).

INVESTMENTS AND DEVELOPMENT EXPENDITURE

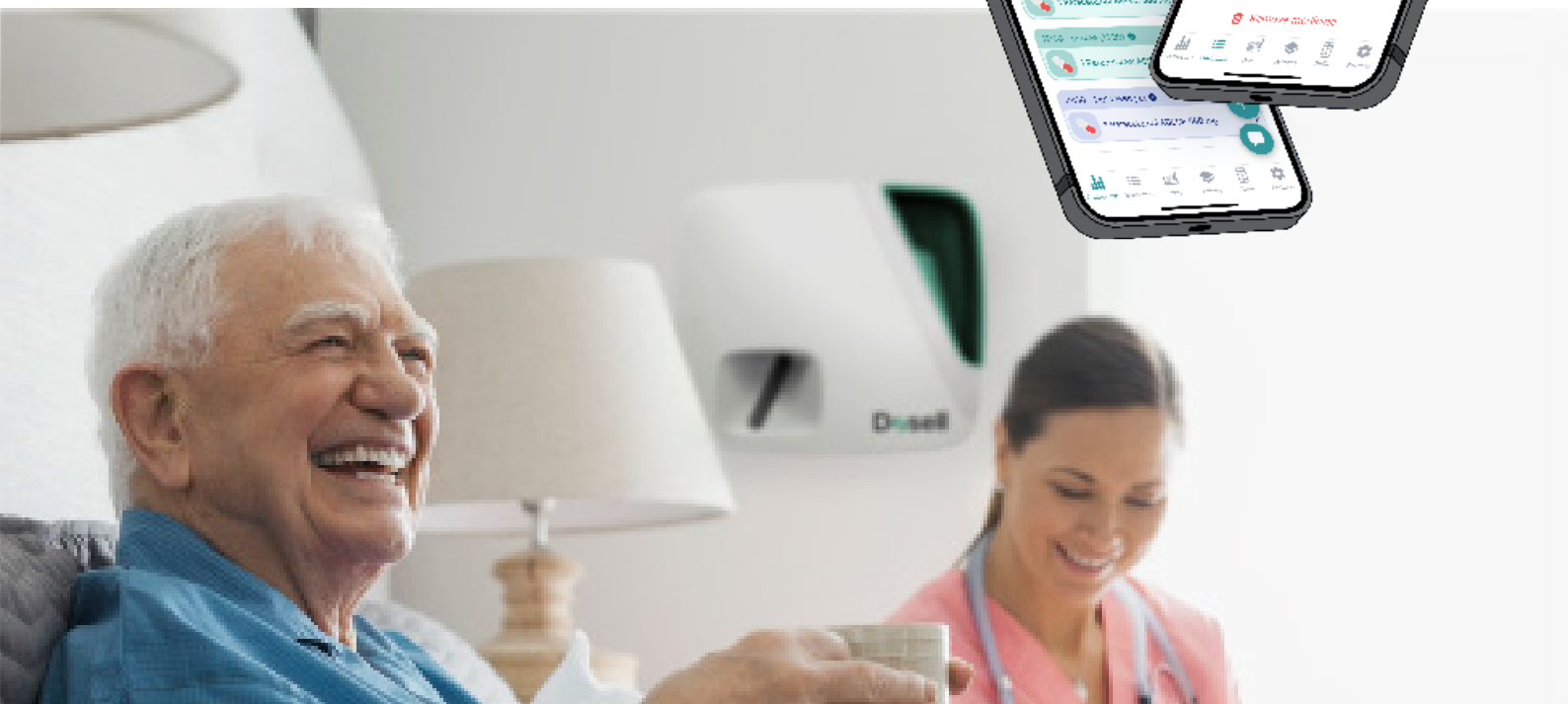
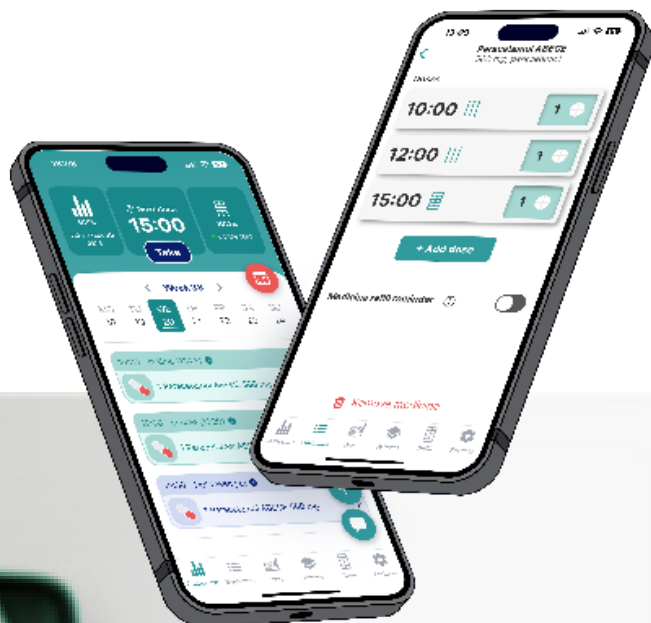
Investments during the quarter amounted to 180 TSEK (253), primarily related to capitalized development costs. The company has invested in platforms to enable increased sales in additional markets. At the same time, development of Dosell has continued, focusing on strengthening the product's capabilities and market adaptation. Investments for Dosell 3.0 are primarily being capitalized.

CONTINUING OPERATIONS

The company's ability to meet future liquidity needs is largely dependent on its sales performance and profitability. With the current liquid assets, implemented cost savings, and revenues from future agreements, the company's liquidity for the next 12 months is secured. The Board therefore 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 will be able to secure additional necessary liquidity if required.

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	2025 Apr-Jun	2024 Apr-Jun	2025 Jan-Jun	2024 Jan-Jun	2024 Jan-Dec
Operating income					
Net sales	1 136	168	2 454	3 578	7 954
Other operating income	421	397	827	793	1 602
Total revenue	1 557	565	3 281	4 371	9 556
Operating costs					
Goods for resale	-735	193	-1 745	-3 849	-9 588
Other external expenses	-1 969	-1 531	-3 182	-3 642	-6 803
Personell costs	-2 140	-2 136	-4 175	-4 374	-8 522
Depreciation of tangible and intangible assets	-982	-984	-1 963	-1 965	-3 930
Other operating expenses	-8	-118	-12	-121	-138
Other costs	-5 834	-4 576	-11 077	-13 951	-28 981
Operating profit/loss	-4 277	-4 011	-7 796	-9 580	-19 425
Net financial items	-226	-26	-486	-66	-1 084
Profit/loss after financial items	-4 503	-4 037	-8 282	-9 646	-20 509
Tax on profit for the period	0	0	0	0	0
PROFIT/LOSS FOR THE PERIOD	-4 503	-4 037	-8 282	-9 646	-20 509
Basic earnings per share (SEK)	-0,01	-0,02	-0,03	-0,04	-0,08

Condensed statement of financial position

GROUP

TSEK	2025 30-Jun	2024 30-Jun	2024 31-Dec
ASSETS			
Non-current assets			
Balanced development expenditure	15 290	17 367	16 405
Other intangible assets	13	39	26
Tangible fixed assets	16	81	47
Right-of-use assets	503	1 907	1 005
Current assets			
Inventories	2 275	4 462	2 966
Accounts receivable	448	2 124	589
Current receivable	1 268	913	1 042
Cash and cash equivalents	825	1 217	2 150
Total assets	20 638	28 110	24 230
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital	64 347	55 117	55 117
Other capital contributions	130 535	130 867	130 867
Retained earnings including profit/loss for the period	-184 538	-165 393	-176 256
Total shareholders' equity	10 344	20 591	9 728
Non-current liabilities			
Interest-bearing liabilities	0	218	0
Lease liabilities	0	610	0
Current liabilities			
Interest-bearing liabilities	5 188	279	5 843
Lease liabilities	545	1 399	1 084
Accounts payable	690	1 314	3 510
Other current liabilities	3 871	3 699	4 065
Total liabilities	10 294	7 519	14 502
Total equity and liabilities	20 638	28 110	24 230

Condensed statement of changes in equity

GROUP

TSEK	2025	2024	2025	2024	2024
	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Jan-Dec
Equity, opening balane	12 537	19 832	9 728	25 353	25 353
Total result					
The result of the period	-4 503	-4 037	-8 282	-9 646	-20 509
Transactions with owners					
New share issue	2 310	5 000	9 230	5 000	5 000
Share issue expenses	0	-204	-332	-204	-204
Warrent rights, paid premium	0	0	0	88	88
Equity, closing balance	10 344	20 591	10 344	20 591	9 728

Condensed statement of cash flows

GROUP

TSEK	2025	2024	2025	2024	2024
	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Jan-Dec
Operating profit/loss	-4 277	-4 011	-7 796	-9 580	-19 425
Adjustments for non-cash items	982	984	1 963	1 965	4 242
Interest received, etc.	0	0	0	0	39
Interest paid, etc.	-226	-26	-486	-66	-1 123
Tax paid	0	0	0	0	0
Cash flow from operating activities before change in working capital	-3 521	-3 053	-6 319	-7 681	-16 267
Cash flow from changes in working capital	1 806	-1 102	-2 409	-583	4 912
Cash flow from operating activities	-1 715	-4 155	-8 728	-8 264	-11 355
Cash flow from investment activities	-181	-222	-301	-568	-1 023
Cash flow from financing activities	2 003	4 510	7 704	4 215	8 694
Cash flow for the period	107	133	-1 325	-4 617	-3 684
Cash and cash equivalents at the beginning of the period	718	1 084	2 150	5 834	5 834
Cash and cash equivalents at close of period	825	1 217	825	1 217	2 150

Distribution of revenues

TSEK	2025	2024	2025	2024	2024
	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Jan-Dec
Dosell	1 073	75	2 324	3 384	7 628
Pilloxa	63	93	130	194	326
Total	1 136	168	2 454	3 578	7 954

Reporting by business segment

TSEK	2025 Apr-Jun	2024 Apr-Jun	2025 Jan-Jun	2024 Jan-Jun	2024 Jan-Dec
External revenue					
Dosell	1 073	75	2 324	3 384	7 628
Pilloxa	63	93	130	194	326
	1 136	168	2 454	3 578	7 954
Direct costs					
Dosell	-735	193	-1 745	-3 849	-9 588
Pilloxa	0	0	0	0	0
	-735	193	-1 745	-3 849	-9 588
Contribution margin					
Dosell	338	268	579	-465	-1 960
Pilloxa	63	93	130	194	326
	401	361	709	-271	-1 634
Other items					
Other operating income	421	397	827	793	1 602
Other external costs	-1 977	-1 649	-3 194	-3 763	-6 941
Personnel costs	-2 140	-2 136	-4 175	-4 374	-8 522
	-3 696	-3 388	-6 542	-7 344	-13 861
Operating profit before depreciation	-3 295	-3 027	-5 833	-7 615	-15 495

Condensed income statement

PARENT COMPANY

TSEK	2025 Apr-Jun	2024 Apr-Jun	2025 Jan-Jun	2024 Jan-Jun	2024 Jan-Dec
Operating income					
Net sales	450	457	900	907	1 809
Other operating income	404	397	805	793	1 586
Total revenue	854	854	1 705	1 700	3 395
Operating costs					
Other external expenses	-1 411	-977	-2 330	-2 218	-4 372
Personnel costs	-1 043	-620	-1 950	-1 554	-3 279
Deprecation and amortization of property, plant and equipment, and intangible assets	-13	-13	-25	-25	-50
Total costs	-2 467	-1 610	-4 305	-3 797	-7 701
Operating profit/loss	-1 613	-756	-2 600	-2 097	-4 306
Net financial items	-224	-551	-720	-551	-10 076
Profit/loss after financial items	-1 837	-1 307	-3 320	-2 648	-14 382
Tax on profit for the period	0	0	0	0	0
PROFIT/LOSS FOR THE PERIOD	-1 837	-1 307	-3 320	-2 648	-14 382

Condensed balance sheet

PARENT COMPANY

TSEK	2025 30-Jun	2024 30-Jun	2024 31-Dec
ASSETS			
Non-current assets			
Property, plant and equipment	16	67	41
Non-current financial assets	34 995	32 000	34 675
Current assets			
Current receivables	5 214	8 302	764
Cash and bank balances	669	1 120	408
Total assets	40 894	41 489	35 888
SHAREHOLDERS' EQUITY AND LIABILITIES			
Restricted equity			
Share capital	64 347	55 117	55 117
Unrestricted equity			
Share premium reserve	130 093	130 425	130 425
Retained earnings including profit/loss for the period	-160 827	-145 775	-157 507
Total shareholders' equity	33 613	39 767	28 035
Current liabilities			
Liabilities to credit institutions	5 000	0	5 500
Accounts payable	251	432	768
Other current liabilities	2 030	1 290	1 585
Total liabilities	7 281	1 722	7 853
Total equity and liabilities	40 894	41 489	35 888

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, 2025, the share capital amounted to 64,347,234 SEK, divided into 600,000 A shares and 321,136,171 B shares, with a quota value of 0.2 SEK per share.

NOTE 8. OPTIONS AND CONVERTIBLE LOAN

The group has three 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

Convertible Loan

iZafe Group AB entered into a loan agreement of 5 MSEK with Exelity AB during the quarter. The loan is due for repayment on June 30, 2025. The lender has the right to convert the loan into shares in the company at any time during the term at a subscription price of 0.24 SEK per share

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 11,6% 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

DNB Carnegie

UPCOMING FINANCIAL REPORTS

2025-11-03	2025 Interim report Q3
2026-02-16	2025 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, Augusti 29, 2025.

iZafe Group AB (publ.)

Anders Segerström	CEO
Richard Wolff	Chairman of the Board
Jenny Styren	Board Member
Anna Håkansson	Board Member
Samuel Danofsky	Board Member

CONTACT



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