



Year-End Report

Fourth 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

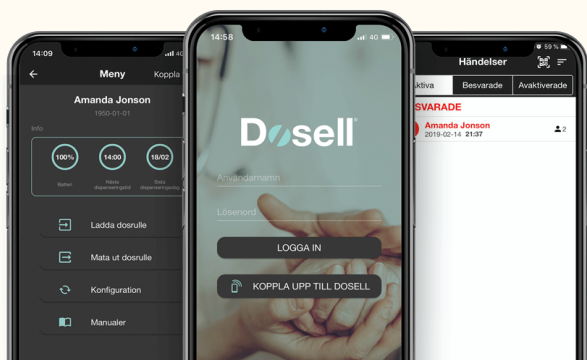
- ✓ Total revenue for the quarter amounted to 2,751 (1,052) TSEK, more than doubling compared to the same period last year. The increase is primarily driven by hardware sales to the Netherlands, which is expected to generate recurring revenue in 2025 as the market establishes itself and implementation progresses.
- ✓ Operating result (EBIT) for the quarter amounted to -5,697 (-20,475) TSEK
- ✓ Operating result before depreciation and amortization (EBITDA) for the quarter amounted to -4,714 (-3,386) TSEK.
- ✓ Result after financial items for the quarter amounted to -5,908 (-20,389) TSEK.
- ✓ Cash flow from operating activities for the quarter amounted to -178 (-1,946) TSEK.
- ✓ Earnings per share for the quarter before/after dilution amounted to -0.02 (-0.06) SEK.
- ✓ Equity per share at the end of the period amounted to 0.04 (0.09) SEK.
- ✓ The solidity at the end of the period amounted to 40.1 (73.2) percent.

Significant events during the quarter

- ✓ iZafe Group AB launched Dosell in Spain in collaboration with Ti Medi. At an event in Granada, Dosell was presented to Ti Medi's network of 1,400 pharmacies. The launch marks a significant milestone, making Dosell commercially available in Spain, with the first units expected to be in use soon. The partnership aims to improve medication management and patient adherence.
- ✓ iZafe Group received an order for 1,000 Dosell units from its Dutch distributor TCCN, valued at approximately 3,000 TSEK. Deliveries will take place in two phases during 2024 and 2025, with expected recurring revenue of up to 400 TSEK per month. The order strengthens iZafe's revenue model and reinforces Dosell's position in the Dutch market.
- ✓ iZafe Group has certified Dosell for integration with Enovation UMO, a leading healthcare platform in 18 countries. The certification enhances Dosell's market position, facilitates easier implementation in the Netherlands, and opens opportunities for expansion into additional markets.

Significant events after the end of the quarter

- ✓ iZafe Group has conducted a directed share issue of approximately 9.2 MSEK through the issuance of 46.15 million B-shares at a subscription price of 0.20 SEK per share. The capital will be used to strengthen working capital, accelerate growth, and support the expansion of Dosell and Pilloxa into new markets.
- ✓ iZafe Group has started 2025 strong, with a 25% increase in billable Dosell units, approaching 1,000 active devices. Growth is driven by rising demand in Sweden, Norway, and the Netherlands, while the launch in Spain is planned for February. Product improvements and the recently completed 9.2 MSEK share issue further strengthen the company's growth and goal of achieving cash flow positivity.



Comments from the CEO



2024 has been a pivotal year for iZafe Group. We have transitioned from developing our product and establishing market conditions to now generating tangible financial results. With a 437% increase in revenue compared to 2023, we see a clear growth trend driven by rising demand for our solutions. Our business model is beginning to demonstrate its strength through recurring revenue, and we have surpassed 2 million SEK in ARR. Our goal for the year is to reach our milestone of 10 million SEK in ARR.

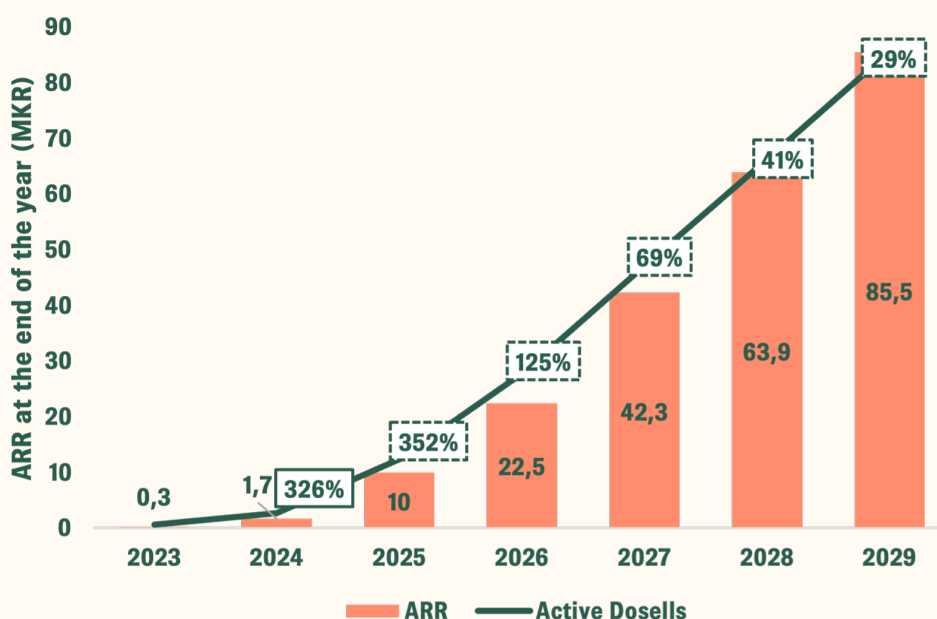
Throughout the year, we have sold 2,500 Dosell units, with growth primarily driven by hardware sales to the Netherlands. Although hardware margins are low, this provides a strategic foundation for future profitability. The true value-creation phase occurs when the units are activated and start generating high-margin recurring license revenue, directly boosting our ARR. We are now approaching an important milestone of 1,000 active dispensing units, which strengthens the stability of our product and business model while contributing to an increasing stream of recurring revenue.

In this report, we present a forecast graph illustrating our expected growth in both ARR and the number of active Dosell units over the coming years. The forecast is based on our current markets and key performance indicators, outlining a clear path toward an exponential increase in recurring revenue as more units become activated. By the end of 2024, our ARR reached approximately 1.7 MSEK, reflecting a 326% increase compared to the previous year.

In 2025, this growth is expected to accelerate further, with ARR projected to reach 10 MSEK by year-end, a 352% increase. Beyond that, ARR is expected to continue growing rapidly, more than eightfold by 2029, when we anticipate exceeding 85 MSEK. We will track this forecast on a quarterly basis to provide our shareholders with a clear view of our actual progress and how we are advancing toward our financial goals.

However, it is important to understand that there is a time lag between ordering hardware and when the units start generating recurring revenue. The production and delivery process must be managed, partners need to be trained, and they must ensure full control over the implementation process. Additionally, customer satisfaction is crucial for achieving stable, long-term growth.

This is particularly relevant when entering new markets and establishing new partnerships. We have already passed this phase in the Netherlands and Sweden, while Spain and Norway are expected to do so during the spring. Spain is set for a launch in February, with Norway expected to follow shortly after. These markets represent a significant opportunity to further increase our ARR and strengthen our position in digital medication management. Beyond this, we aim to expand into additional new markets to continue our growth journey.



Comments from the CEO (continued)

Market Potential for Dosell

Dosell operates within an existing and growing market—individuals who receive their medication pre-packaged in dose pouches. For Dosell to be implemented in a new market, an established dose pouch infrastructure is required, where Dosell integrates at the final stage of the process to digitize healthcare and enhance medication safety. The markets we currently operate in have a stable and expanding dose pouch market, and forecasts indicate that this trend will continue as more countries recognize the benefits of this distribution method.

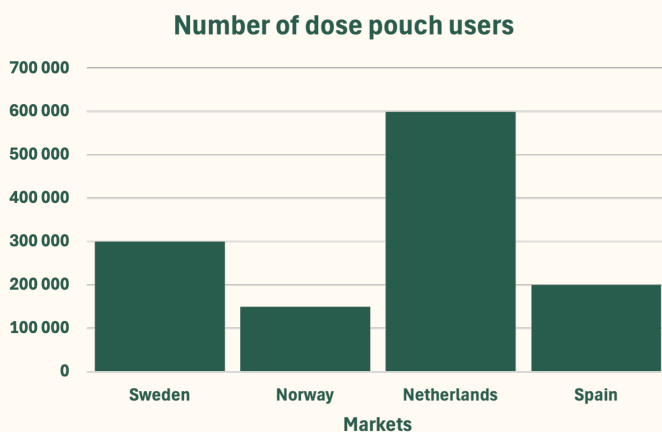
The global trend is clear—the dose pouch market is steadily growing across Europe and the U.S., becoming increasingly standardized as a safe and efficient way to distribute medication. By adapting Dosell to different types of dose pouches, particularly in the Netherlands, we have developed a unique, flexible, and scalable solution that enables faster entry into new markets while significantly lowering the barriers to expansion.

With a significantly reduced time-to-market, we can now implement Dosell much faster, having eliminated technical barriers. Adaptations to new markets now primarily focus on optimizing customer journeys and meeting local regulatory requirements.

To illustrate our market potential, we present an estimate of the number of patients currently receiving their medication in dose pouches across our focus markets:

Sweden: 300,000 patients
Norway: 150,000 patients
Netherlands: 600,000 patients
Spain: 200,000 patients at Ti Medi, with an annual growth rate of 10%

With an established presence in these markets and proven demand, we see significant opportunities to continue scaling Dosell internationally and strengthening our position as a leading player in digitalized medication management.



Enhanced Investor Relations and Shareholder Communication

We have intensified our investor relations communication to provide shareholders and investors with a more transparent and continuous insight into our growth journey. Through our monthly newsletter, we regularly share updates on our progress, strategic initiatives, and market expansion, fostering a closer dialogue with our stakeholders.

The directed share issue of 9.2 MSEK provides the foundation to accelerate growth by increasing the activation of Dosell units and expanding into new markets. At the same time, we continue to focus on strict cost control and operational efficiency, aiming to achieve cash flow positivity and build a long-term profitable business.

Future Prospects

We have built a robust and sustainable business model, where our products, partnerships, and market strategies work together to drive long-term profitable growth. In 2025, our focus is to:

Increase ARR by boosting the activation rate of already sold units and accelerating implementation on existing markets.

Establish and expand strategic partnerships in both new and existing markets to drive growth.

Maximize recurring revenue by optimizing our business model and adding value-enhancing services for existing Dosell units.

Strengthen collaborations with municipalities and healthcare providers to reinforce our market position and ensure stable, predictable growth.

We see a clear path forward, where the expansion and scaling of our license model will continue to fuel our growth. With an increasing ARR and a more stable revenue structure, we anticipate strong momentum in healthcare digitalization through automated medication management. We firmly believe that Dosell has the potential to capture a significant share of this market and establish itself as a leading solution in digital medication management.

The foundation is in place, and we are now entering a growth phase, where our focus is on scalability and operational efficiency.

I would like to conclude by expressing my gratitude to our amazing employees, partners, and shareholders for your dedication and support. It is because of you that we can continue to revolutionize medication management on a global scale.

Thank you for being part of our journey.

Stockholm in February 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, 44 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	2024	2023
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Total revenue	2 751	1 052	9 556	3 395
Operating result (EBIT)	-5 697	-20 475	-19 425	-35 635
Operating result before depreciation and amortization (EBITDA)	-4 714	-3 386	-15 495	-12 649
Profit after financial items (EBT)	-5 908	-20 389	-20 509	-35 716
Earnings per share before/after dilution, SEK	-0,02	-0,06	-0,08	-0,12
Equity per share, SEK	0,04	0,09	0,04	0,09
Equity ratio, %	40,1%	73,2%	40,1%	73,2%
Share price at the end of the period, SEK	0,21	0,30	0,21	0,30
Number of shares at the end of the period	275 586 171	250 586 171	275 586 171	250 586 171
Average number of outstanding shares	275 586 171	250 586 171	266 103 979	231 755 446
Average number of employees	7	7	7	7
Number of employees at the end of the period	7	7	7	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, OCTOBER-DECEMBER 2024

Net revenue for the quarter amounted to 2,345 TSEK (679), representing organic growth of more than three times compared to the same period last year. The revenue for the quarter consists of income from the sale of the Dosell digital medication dispenser, contributing through both hardware sales and recurring subscription fees, as well as revenue from the sale of the Pilloxa medical adherence tool. The increase in revenue is primarily driven by higher license revenues in existing markets and increased hardware sales to the Netherlands, which are expected to generate recurring revenue in 2025.

Other operating income for the quarter amounted to 406 TSEK (373), related to the subleasing of part of the company's office space.

Cost of goods sold for the quarter amounted to -3,676 TSEK (-471), entirely attributable to costs associated with sold and delivered Dosell units. The increase is primarily due to higher production volumes resulting from the intensified delivery of Dosell to new customers as part of the company's expansion in existing and new markets.

Other external costs for the quarter amounted to -1,572 TSEK (-1,996), including ongoing commercialization expenses and continuous modifications of Dosell. The company is actively working on optimizing cost structures and streamlining procurement to reduce overall expenses.

Personnel costs for the quarter amounted to -2,187 TSEK (-1,966). The number of employees at the end of the period was 7, unchanged from the corresponding period last year.

Depreciation of intangible assets amounted to -716 TSEK (-16,821), related to capitalized development costs for Dosell. Last year's depreciation included goodwill impairments from the acquisition of Pilloxa, which incurred a one-time write-down of 15,234 TSEK in Q4 2023, without affecting cash flow.

Depreciation of tangible assets amounted to -267 TSEK (-268), related to right-of-use assets and equipment.

Net financial result for the quarter amounted to -211 TSEK (86), primarily attributed to interest and setup costs for a loan taken during the period. The item also includes interest expenses related to leasing liabilities and deferred tax payments.

Tax on the period's result amounted to 0 TSEK (3,001), reflecting the reversal of deferred tax from previous Pilloxa acquisition goodwill adjustments in the comparative year.

Net result for the period amounted to -5,908 TSEK (-17,388), with earnings per share of -0.02 SEK (-0.06).

TURNOVER AND RESULTS, JANUARY-DECEMBER 2024

Net revenue for the period amounted to 7,954 TSEK (1,822), representing organic growth of approximately four times compared to the same period last year. The period's revenue consists of income from the sale of the Dosell digital medication dispenser, generating revenue through both hardware sales and recurring subscription fees, as well as revenue from the sale of the Pilloxa medical adherence tool. A significant portion of the growth is linked to increased license revenue in existing markets and the launch in the Dutch and Spanish markets.

Other operating income for the period amounted to 9,556 TSEK (3,395), primarily related to the subleasing of part of the company's office space.

Cost of goods sold for the period amounted to -9,588 TSEK (-1,529), related to the cost of sold and delivered Dosell units. Gross profit has been impacted by a substantial increase in deliveries of Dosell units to new markets, resulting in higher costs for traded goods.

Other external costs for the period amounted to -6,803 TSEK (-7,574), including ongoing commercialization expenses and continuous modifications of Dosell. The company has made cost-saving adjustments and continues to review cost structures and improve procurement processes to reduce overall expenses.

Personnel costs for the period amounted to -8,522 TSEK (-6,925). The increase is partly due to a one-time bonus for employees, as decided at the annual general meeting in Q1, enabling their participation in the company's stock option incentive program. At the end of the period, the number of employees was 7, unchanged from the corresponding period last year.

Depreciation of intangible assets amounted to -2,859 TSEK (-21,882), primarily related to capitalized development expenses for Dosell. Last year's depreciation included goodwill impairments from the Pilloxa acquisition, which incurred a one-time write-down of 15,234 TSEK in Q4 2023, without affecting cash flow.

Depreciation of tangible assets amounted to -804 TSEK (-1,104), related to right-of-use assets and equipment.

Net financial result for the period amounted to -1,084 TSEK (-81), mainly due to interest and setup costs associated with a loan taken during the year. The item also includes interest expenses for lease liabilities and deferred tax payments.

Tax on the period's result amounted to 0 TSEK (3,541), where the comparative period included a reversal of deferred tax related to goodwill from the Pilloxa acquisition.

Net result for the period amounted to -20,509 TSEK (-32,175), with earnings per share of -0.08 SEK (-0.12).



FINANCIAL POSITION, CASH FLOW AND LIQUIDITY

Cash flow from operating activities for the quarter was -178 TSEK (-1,946), driven by the adaptation of Dosell for new markets and product commercialization, with limited revenue contribution. For the full year January–December, cash flow amounted to -11,355 TSEK (-11,256), in line with the quarterly trend.

Cash flow from investing activities for the quarter was -275 TSEK (-560), mainly related to intangible investments to modernize Dosell. This development work aims to enhance compatibility with newer technology and prepare for broader market adaptation. Total cash flow from investing activities for January–December amounted to -1,023 TSEK (-1,457), consistent with the quarterly pattern.

Cash flow from financing activities for the quarter was -635 TSEK (-500), including repayments of lease liabilities and deferred tax payments. For January–December, cash flow from financing activities amounted to 8,694 TSEK (16,846), reflecting loan proceeds, a share issue, and option subscriptions. The comparative period was primarily impacted by capital inflows from a rights issue.

Cash and cash equivalents at the end of the period amounted to 2,150 TSEK, compared to 5,834 TSEK as of December 31, 2023. The decrease is primarily due to investments in production and adaptations to support expansion into new markets and attract more customers. These strategic initiatives are expected to strengthen the company's future revenue streams and market position across multiple European markets.

Total assets at the end of the quarter amounted to 24,230 TSEK (34,614).

INVESTMENTS AND DEVELOPMENT EXPENDITURE

Investments during the quarter amounted to 275 TSEK (560), primarily related to capitalized development costs. The company has invested in platforms to enable increased sales in additional markets. At the same time, the development of Dosell has continued, focusing on enhancing the product's capabilities and market adaptation. Investments related to Dosell 3.0 are primarily 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	2024	2023	2024	2023
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Operating income				
Net sales	2 345	679	7 954	1 822
Other operating income	406	373	1 602	1 573
Total revenue	2 751	1 052	9 556	3 395
Operating costs				
Goods for resale	-3 676	-471	-9 588	-1 529
Other external expenses	-1 572	-1 996	-6 803	-7 574
Personell costs	-2 187	-1 966	-8 522	-6 925
Depreciation of tangible and intangible assets	-983	-17 089	-3 930	-22 986
Other operating expenses	-30	-5	-138	-16
Other costs	-8 448	-21 527	-28 981	-39 030
Operating profit/loss	-5 697	-20 475	-19 425	-35 635
Net financial items	-211	86	-1 084	-81
Profit/loss after financial items	-5 908	-20 389	-20 509	-35 716
Tax on profit for the period	0	3 001	0	3 541
PROFIT/LOSS FOR THE PERIOD	-5 908	-17 388	-20 509	-32 175
Basic earnings per share (SEK)	-0,02	-0,06	-0,08	-0,06

Condensed statement of financial position

GROUP

TSEK	2024	2023
	31 Dec	31 Dec
ASSETS		
Non-current assets		
Balanced development expenditure	16 405	18 216
Goodwill	0	0
Other intangible assets	26	51
Tangible fixed assets	47	114
Right-of-use assets	1 005	2 410
Current assets		
Inventories	2 966	4 052
Accounts receivable	589	3 223
Current receivable	1 042	714
Cash and cash equivalents	2 150	5 834
Total assets	24 230	34 614
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity		
Share capital	55 117	50 117
Other capital contributions	130 867	130 983
Retained earnings including profit/loss for the period	-176 256	-155 747
Total shareholders' equity	9 728	25 353
Non-current liabilities		
Interest-bearing liabilities	0	372
Lease liabilities	0	1 487
Current liabilities		
Interest-bearing liabilities	5 500	279
Lease liabilities	1 084	1 037
Accounts payable	3 510	1 224
Other current liabilities	4 408	4 862
Total liabilities	14 502	9 261
Total equity and liabilities	24 230	34 614

Condensed statement of changes in equity

GROUP

TSEK	2024	2023	2024	2023
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Equity, opening balane	15 636	42 741	25 353	38 961
Total result				
The result of the period	-5 908	-17 388	-20 509	-32 175
Transactions with owners				
New share issue	0	0	5 000	0
Issue with warrent rights	0	0	0	19 361
Share issue expenses	0	0	-204	-794
Warrent rights, paid premium	0	0	88	0
Equity, closing balance	9 728	25 353	9 728	25 353

Condensed statement of cash flows

GROUP

TSEK	2024	2023	2024	2023
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Operating profit/loss	-5 697	-20 475	-19 425	-35 635
Adjustments for non-cash items	1 295	17 089	4 242	22 986
Interest received, etc.	39	112	39	159
Interest paid, etc.	-348	-26	-1 123	-240
Tax paid	0	0	0	0
Cash flow from operating activities before change in working capital	-4 711	-3 300	-16 267	-12 730
Cash flow form changes in working capital	4 533	1 354	4 912	1 474
Cash flow from operating activities	-178	-1 946	-11 355	-11 256
Cash flow from investment activities	-275	-560	-1 023	-1 457
Cash flow from financing activities	-635	-500	8 694	16 846
Cash flow for the period	-1 088	-3 006	-3 684	4 133
Cash and cash equivalents at the beginning of the period	3 238	8 840	5 834	1 701
Cash and cash equivalents at close of period	2 150	5 834	2 150	5 834

Distribution of revenues

TSEK	2024	2023	2024	2023
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Dosell	2 279	528	7 628	1 244
Pilloxa	66	151	326	578
Total	2 345	679	7 954	1 822

Reporting by business segment

TSEK	2024	2023	2024	2023
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
External revenue				
Dosell	2 279	528	7 628	1 244
Pilloxa	66	151	326	578
	2 345	679	7 954	1 822
Direct costs				
Dosell	-3 676	-471	-9 588	-1 521
Pilloxa	0	0	0	-8
	-3 676	-471	-9 588	-1 529
Contribution margin				
Dosell	-1 397	57	-1 960	-277
Pilloxa	66	151	326	570
	-1 331	208	-1 634	293
Other items				
Other operating income	406	373	1 602	1 573
Other external costs	-1 602	-2 001	-6 941	-7 590
Personnel costs	-2 187	-1 966	-8 522	-6 925
	-3 383	-3 594	-13 861	-12 942
Operating profit before depreciation	-4 714	-3 386	-15 495	-12 649

Condensed income statement

PARENT COMPANY

TSEK	2024	2023	2024	2023
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Operating income				
Net sales	452	450	1 809	1 800
Other operating income	397	392	1 586	1 571
Total revenue	849	842	3 395	3 371
Operating costs				
Other external expenses	-1 072	-1 290	-4 372	-5 310
Personnel costs	-978	-723	-3 279	-3 019
Depreciation and amortization of property, plant and equipment, and intangible assets	-12	-13	-50	-51
Total costs	-2 062	-2 026	-7 701	-8 380
Operating profit/loss	-1 213	-1 184	-4 306	-5 009
Net financial items	-8 451	-13 501	-10 076	-13 545
Profit/loss after financial items	-9 664	-14 685	-14 382	-18 554
Tax on profit for the period	0	0	0	0
PROFIT/LOSS FOR THE PERIOD	-9 664	-14 685	-14 382	-18 554

Condensed balance sheet

PARENT COMPANY

TSEK	2024	2023
	31 Dec	31 Dec
ASSETS		
Non-current assets		
Property, plant and equipment	41	92
Non-current financial assets	34 675	32 000
Current assets		
Current receivables	764	2 207
Cash and bank balances	408	5 311
Total assets	35 888	39 610
SHAREHOLDERS' EQUITY AND LIABILITIES		
Restricted equity		
Share capital	55 117	50 117
Unrestricted equity		
Share premium reserve	130 425	130 628
Retained earnings including profit/loss for the period	-157 507	-143 213
Total shareholders' equity	28 035	37 532
Current liabilities		
Liabilities to credit institutions	5 500	0
Accounts payable	768	580
Other current liabilities	1 585	1 498
Total liabilities	7 853	2 078
Total equity and liabilities	35 888	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

A number of new standards and amendments to standards came into effect for financial years beginning on January 1, 2024. None of these are expected to have any impact on the Group's financial statements.

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 December 31, 2025, the share capital amounted to 55,117,234 SEK, divided into 600,000 A-shares and 274,986,171 B-shares, with a nominal 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 5.5 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 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

Mangold Fondkommission.

UPCOMING FINANCIAL REPORTS

2025-04-25	2025 Interim report Q1
2025-04-30	2024 Annual report
2025-08-29	2025 Interim report Q2
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.

ANNUAL GENEAL MEETING

The Annual General Meeting will be held on May 28, 2025. The notice, along with further information, will be sent out no later than four weeks before the meeting.

DIVIDEND

No dividend is proposed to the shareholders. Proposal for dividend distribution will be made to the shareholders only when the company achieves stable profitability.

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, February 14, 2025.

iZafe Group AB (publ.)

Anders Segerström	CEO
Richard Wolff	Chairman of the Board
Göran Hermansson	Vice Chairman of the Board
Magnus Engman	Board Member
Jenny Styren	Board Member

CONTACT



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