iZafeGroup



Quarterly Report

Third Quarter 2026

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

- The Group's net sales for the quarter amounted to 1,768 (1,102) TSEK. The comparative period does not include the Dutch operations, the consolidation of which explains the increase at Group level. Net sales decreased in the Sweden segment, which comprises Dosell AB, including sales outside Sweden but excluding the Netherlands. The decrease is partly attributable to certain municipalities moving away from directly awarded contracts and planning to make future call-offs under Adda's framework agreement. To safeguard customer relationships during the delivery delays, certain customers were offered discounted prices, which is the main reason for the lower net sales. The communicated ARR level of approximately 10 MSEK refers to an annualised recurring revenue run rate, while net sales represent revenues recognised during the quarter and are affected by the timing of call-offs, deliveries and installations. The Company's forward-looking ARR forecast has been revised in this report.

- Operating result (EBIT) for the quarter amounted to -8,232 TSEK (-3,273). The deterioration compared with the previous year is mainly attributable to the consolidation of the Dutch operations and higher amortization of acquisition-related excess values. The quarter was also impacted by a write-down of Pilloxa's inventory in accordance with the prudence principle, in line with the Company's current focus on Dosell.

- Operating result before depreciation and amortization (EBITDA) for the quarter amounted to -6,451 TSEK (-2,297). The deterioration compared with the previous year is mainly attributable to the consolidation of the Dutch operations and a higher cost base, partly due to an increase in the number of employees. Costs have therefore increased ahead of the expected revenue growth from new agreements and upcoming installations.

- Result after financial items amounted to -8,302 (-3,537) TSEK.

- Cash flow from operating activities amounted to -6,290 TSEK (-2,890). The quarter was affected by approximately 1,500 TSEK in payments for audit fees, legal expenses, and employer contributions and tax related to the warrant program, which do not recur every quarter. During the period, the Company also purchased additional units, tying up capital before the units are activated and begin generating recurring revenues. The payback period for the hardware is estimated at approximately 6–9 months, depending on the market, and some inventory is required to meet delivery needs.

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

- Equity per share at the end of the quarter amounted to 0.03 (0.05) SEK.

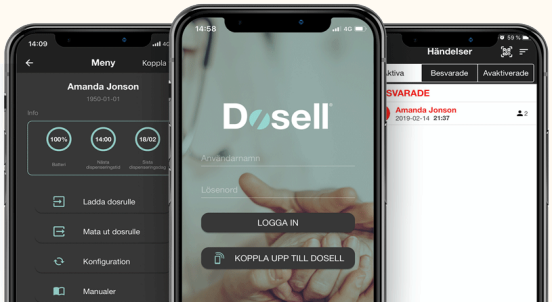
- The equity/assets ratio at the end of the period amounted to 35.4 (41.0) percent.

Significant events during the quarter

- iZafe Group announces that the Board of Directors has completed a directed set-off issue of 10,386,409 B shares to Stichting TCCN as partial payment for the acquisition of the Dutch operations. The issue corresponds to approximately EUR 310,000 and results in dilution of approximately 2.36 percent.

- iZafe Group announces that its subsidiary Dosell AB has signed agreements with the municipalities of Mora, Orsa and Älvdalen after being selected as the winning supplier in their joint procurement of medication dispensers and associated remote care systems under Adda's national framework agreement. The municipalities' estimated requirement amounts to approximately 120 units. Volumes are not guaranteed.

- iZafe Group announces that Dosell is now commercially available in Iceland through the pharmacy chain Lyfja and the local distribution partner SKAND. The first unit is now in use by a customer, and Dosell is available for demonstration at selected Lyfja pharmacies. The launch marks the activation of the previously announced distribution partnership and establishes Dosell's presence in the Icelandic market.



Comments from the CEO



Our existing agreements show the potential for more Dosell units

The third quarter was financially weaker than we had expected. Net sales amounted to 1.8 MSEK compared with 2.6 MSEK in the previous quarter, while EBITDA amounted to -6.5 MSEK compared with -5.9 MSEK in the previous quarter. This is an outcome I am not satisfied with. Customer discounts offered in connection with delivery delays have resulted in slightly lower net sales for the period, while planned customer implementations have been postponed. We also carry the costs of an organization built for larger volumes, which is a necessary investment to support the growth we now see.

Agreements and usage have progressed at different rates

Our existing B2B agreements cover 72 Swedish municipalities, approximately 30 private healthcare organizations in the Netherlands and 14 Norwegian municipalities.

In Sweden, Dosell has not yet been brought into operation in all municipalities covered by the agreements. In the Netherlands, the product is used by almost all contracted healthcare organizations, where the opportunity primarily lies in expanding usage to more users. In Norway, Dosell is in operation in three municipalities through local partners.

In Iceland, the commercial launch through our distribution partner SKAND and the pharmacy chain Lyfja has been completed, and the first unit has been put into use. The markets are at different stages of development, and we prioritize resources to the customer implementations where we believe the path to invoicing is clearest.

Sweden – significant potential also in our existing customer base

The Swedish market for medication dispensing systems continues to mature. The Swedish Association of Local Authorities and Regions (SALAR) highlights medication dispensing systems as an established example of welfare technology, with clear benefits and experience from several municipalities. We see the same shift in our customer dialogues, where the focus is increasingly on broader implementation in regular operations.

During the quarter, we took several important commercial steps in Sweden. The agreement within Region Jönköping County entered into force, Dosell is available through Adda's framework agreement and, through Atea, we were awarded the agreement with Västervik Municipality and cooperating municipalities. At full rollout, the Västervik agreement has an estimated potential of approximately 500 Dosell units, corresponding to approximately 3.7 MSEK in annual recurring revenue.

An important part of the potential in Sweden also lies in the customer base we have already built. Dosell is established in approximately 40 municipalities, and usage can grow among customers where the product has already been implemented.

When a municipality has completed an initial implementation, trained its staff and integrated Dosell into its operating procedures, the threshold for gradually expanding usage to more users and areas of operation becomes lower. Growth therefore depends not only on new agreements, but also on expansion among existing customers.

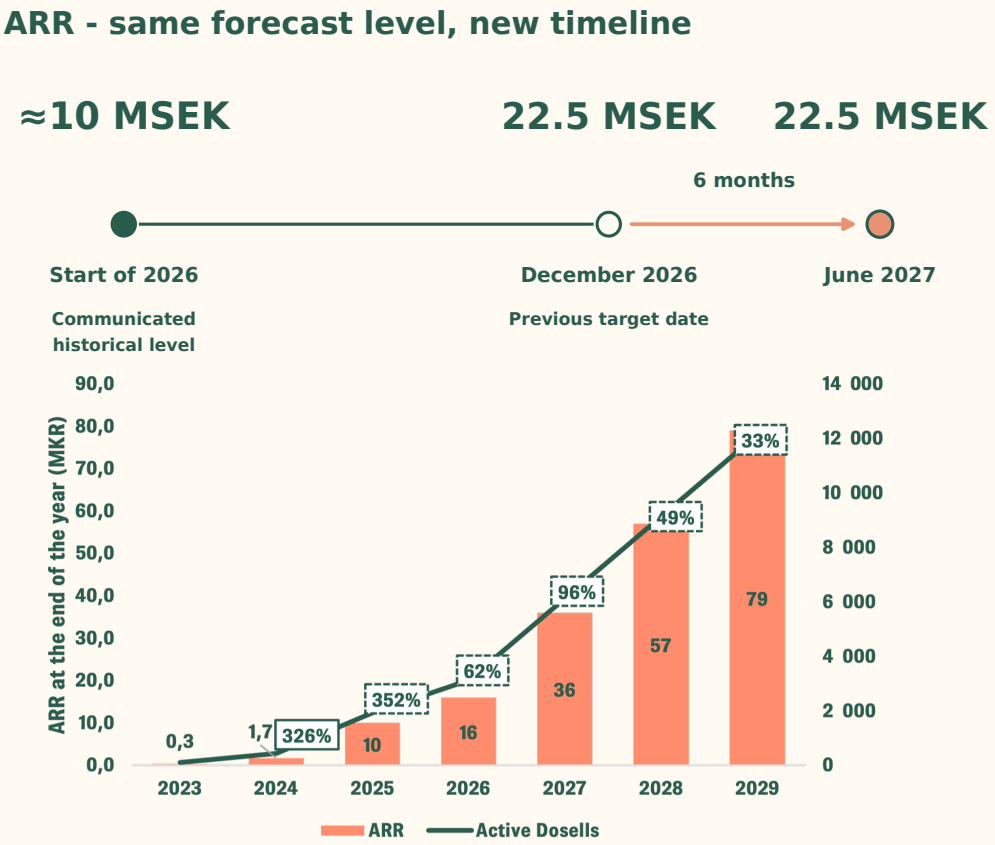
We will continue to win new customers, but it is equally important to develop those we already have. Implementation normally takes place gradually, and the time between an agreement and its full revenue potential may therefore be significant. During the second half of the year, we will focus on both broadening usage among existing customers and shortening the time from decision to installation.

Comments from the CEO – continued

Updated ARR forecast following postponed implementations

In Q2, we maintained our forecast of 22.5 MSEK in annual recurring revenue, ARR, at the end of 2026. We now see that the postponed customer implementations have delayed the revenue ramp-up, and we have therefore updated the forecast. We now forecast ARR of approximately 16 MSEK at the end of 2026 and approximately 36 MSEK at the end of 2027, as shown in the updated forecast chart in the report.

Our assessment remains that the previous forecast level of 22.5 MSEK in ARR can be reached by June 30, 2027. The forecast is based on more units being installed, activated and becoming billable, alongside increased usage among existing customers.



Costs and working capital require continued control

Cash flow from operating activities amounted to -6.3 MSEK during the quarter, and cash and cash equivalents amounted to 3.1 MSEK at the end of the period. In addition, Dosell AB has secured an overdraft facility of 5 MSEK to support further unit purchases. The facility was undrawn as of September 30, 2026. Hardware purchases tie up capital before the units are installed and begin generating recurring revenues. This requires advance production planning and coordination with customers' implementations.

Ongoing efficiency improvements have contributed to lower costs in certain areas, and further cost measures are underway. Our assessment is that more billable units, together with these measures, can gradually reduce the quarterly loss. This requires planned customer implementations to proceed and continued control of costs and capital tied up in the business.

The quarterly result shows that implementation has taken longer than we expected. At the same time, our existing agreements and sales pipeline make the business opportunities more concrete. The decisive factor now is how these opportunities translate into new installations, increased usage and actual invoicing.

Stockholm in November 2026
Anders Segerström
Chief Executive Officer, iZafe Group



Company overview

iZafe Group develops and commercializes digital products and services that ensure people take the right medication at the right time – and that adherence can be monitored digitally.

The Market

An aging population requires new methods

Across Europe, a growing number of people are prescribed multiple medications, and up to 70 percent of those over 60 take three or more medicines daily.
The share of the population aged 65 and older is expected to rise from about 21 percent in 2022 to over 24 percent by 2030.
A rapidly aging population and an increase in chronic conditions heighten the risk of medication errors. At the same time, it is becoming increasingly difficult to secure sufficient qualified staff within home healthcare.
Studies show that the introduction of digital tools is essential to meet these changing conditions and to enable safe, cost-effective, and equitable care.

Proper medication improves health and quality of life
Within the EU, poor adherence to prescribed medication leads to approximately 200,000 deaths each year, corresponding to societal costs exceeding €125 billion.

A steadily growing market

Digitalization and welfare technology make it possible to provide care where and when it is needed, reduce the risk of medication errors, and create more personalized healthcare.
By the end of 2022, around 4.4 million connected devices were in use globally to ensure correct medication – a market expected to grow at an annual rate of 13.2 percent, reaching 8.2 million devices by 2027.
According to Berg Insight, the market for digital medication management solutions is expected to increase from USD 4.6 billion to USD 8.4 billion between 2023 and 2027.

At the same time, the pharmaceutical industry is experiencing a growing need for digital solutions that enable monitoring of treatment adherence and support patients throughout their medication journey.

iZafe Group – Products and Services

Digitalization ensures efficient and safe healthcare

The company's patented product Dosell is a connected medication dispensing robot that prevents double and incorrect dosing and ensures proper medication administration in the home. Dosell creates security for patients, relatives, and healthcare providers, while enabling more efficient use of healthcare resources.

Dosell makes it possible to free up healthcare resources by automating one of the most time-consuming tasks in home healthcare – medication management.
Dosell dispenses dose bags at the correct time, monitors adherence, and issues alerts if a dose is missed, thereby increasing both patient safety and independence.

In Sweden, over 300,000 people already use dose bags, and this number is expected to increase significantly as the population ages.

Increased adherence is important for the pharmaceutical industry

iZafe Group also offers the digital platform Pilloxa, which – through a mobile app, cloud platform, and smart hardware – supports patients in taking their medication as prescribed.
Pilloxa is also used by pharmaceutical companies to digitalize their Patient Support Programs (PSPs) and to collect real-time data on adherence, engagement, and treatment outcomes.
Pilloxa is positioned as a flexible, regulatory-compliant SaaS platform that enables pharmaceutical companies to launch digital patient support faster and at lower cost.

Together, Dosell and Pilloxa address the entire chain – from medication dispensing in the home to digital patient support and data-driven healthcare.

Pilloxa complements Dosell by digitalizing the patient journey even for those who do not receive their medicines in dose bags. The smart pillbox and app provide reminders, visualize adherence, and collect data that help patients, doctors, and pharmaceutical companies understand and improve treatment compliance.

Together, Dosell and Pilloxa ensure adherence, safety, and data-driven insights throughout the entire care chain – from the home to the pharmaceutical industry.

Business Model

iZafe Group sells its products and services both directly and through partners with local market expertise. The revenue model is primarily based on recurring licence and subscription revenues from public and private healthcare providers, consumers and pharmaceutical companies.

Dosell's business model varies between markets and customers. In some cases, the hardware is sold separately, while in other cases the Company finances the unit and recovers its investment through recurring revenues over time. This means that growth may initially require working capital before the corresponding revenues are realised.

Dosell is sold both directly and through partners within welfare technology and digital healthcare, while Pilloxa primarily offers a SaaS model aimed at the pharmaceutical industry.

Partnerships and Growth

iZafe Group currently has active partnerships in eight European countries. Interest in the company's solutions is growing rapidly among municipalities, healthcare providers, and pharmaceutical companies alike.
The focus remains on quality-assured implementation, training, support, and delivery in line with increasing volumes.

The company continues to see strong and growing demand for solutions that enable safe, connected, and individualized medication management – securing a central role for both Dosell and Pilloxa in the healthcare ecosystem of the future.



Dosell – safe medication at home

Digital medication dispenser that ensures the right medication at the right time

Dosell is a Swedish-developed medical device that reminds the user and dispenses the right dose at the right time. The solution is used in the home and in home healthcare to support safer and more independent medication management.

Dosell is used with medication supplied in medication rolls. Each sachet contains the medication to be taken at a specific time. Dosell reads the medication roll, keeps track of dosing times and automatically dispenses the correct sachet when it is time.

Reminders, alerts and follow-up

Dosell reminds the user when it is time to take their medication. If the dose is not taken, a notification or alert can be sent to relatives, care staff or an alarm receiving centre. The device is connected via a mobile network or WiFi, enabling status monitoring and the identification of deviations.

Reassurance for users – support for care teams

Dosell can contribute to greater reassurance and independence and enable more people to remain in their own homes for longer. By providing dose reminders and alerts when medication is missed, it reduces the risk of incorrect dosing and double dosing.

For healthcare and social care providers, connected monitoring can reduce the need for certain physical visits and free up time otherwise spent on manual medication management. This gives staff greater scope to prioritize other healthcare and social care activities.

A connected and scalable solution

Dosell can be used as a standalone solution in the home or integrated with digital care platforms and welfare technology systems. The product can be monitored through an app or platform and is used by municipalities and partners in several European markets. Dosell is a Class I medical device under the EU Medical Device Regulation (MDR).

Dosell at a glance

- Dispenses medication sachets at the right time
- Reminds the user and can send an alert if a dose is missed
- Reduces the risk of incorrect dosing and double dosing
- Connects via a mobile network or WiFi
- Can be integrated with digital care platforms
- Is Swedish-developed and classified as Class I under the MDR
- Is used by municipalities and private care providers in several European markets

MARKET AND POTENTIAL

Existing agreements – scope for more active Dosell units

Dosell's near-term growth opportunities largely lie within the agreements and customer relationships the Company has already established. These provide scope for more installations and increased recurring revenues without the Company first having to win new procurements.

The existing B2B agreements cover:

- **Sweden:** 72 of 290 municipalities. Dosell is not yet in operation in all municipalities covered by the agreements. There is therefore potential for both new implementations under existing agreements and more units where Dosell is already used.
- **The Netherlands:** approximately 30 private healthcare organizations. Dosell is used by almost all of them. The growth opportunity primarily lies in expanding usage within these organizations.
- **Norway:** 14 of 357 municipalities. The agreements provide scope for gradual implementations and more active units as the municipalities expand usage.

The Company's overall B2B sales pipeline comprises more than 4,000 additional Dosell units across the markets in which it operates. These opportunities need to be progressively converted into customer decisions, call-offs, deliveries and installations before they generate recurring revenues.



30 active Dosell units per municipality or healthcare organization correspond to approximately 29.2 MSEK in ARR. An illustrative calculation shows the scope of the existing agreements:
- Approximately 116 municipalities and healthcare organizations in Sweden, the Netherlands and Norway.
- An average of 30 active Dosell units per municipality or healthcare organization corresponds to approximately 3,480 active units in total.
- At an assumed average monthly revenue of 700 SEK per unit, this corresponds to approximately 29.2 MSEK in annual recurring revenue, ARR.

The example includes units already installed and does not represent 3,480 additional Dosell units. It is an illustrative calculation, not a forecast or a guaranteed volume under the agreements.

The established agreements and customer base support the Company's assessment that the communicated ARR level of 22.5 MSEK can be reached, but at a later date. Delayed hardware deliveries have postponed planned implementations and, consequently, the associated revenues. The focus is now on carrying out rollouts and increasing usage within existing relationships.

The consumer market offers additional opportunities

Dosell also reaches users through pharmacies, prescriptions and direct sales:
- **Iceland:** commercial presence through distribution partner SKAND and the country's largest pharmacy chain, Lyfja.
- **Sweden:** agreements covering 57 of the total 72 municipalities, where there is scope for Dosell to be prescribed to users through primary care.
- **The Nordic countries:** individuals can purchase Dosell through the Company's own website in all Nordic countries.

Many people using pre-packed medication sachets manage their own medication and are not reached through municipalities' or healthcare organizations' purchases of medication dispensing systems. These sales channels therefore broaden the opportunity to reach more users. This potential is not included in the B2B example of 29.2 MSEK in ARR.

The broader market – potential over several years

The five focus markets together comprise approximately 1.14 million people using pre-packed medication sachets: approximately 600,000 in the Netherlands, 300,000 in Sweden, 118,000 in Finland, 111,000 in Norway and 14,000 in Iceland. Denmark, which may be relevant for future expansion, adds approximately 81,000 people. Including Denmark, the total market base amounts to approximately 1.22 million people.

The use of medication dispensing systems varies considerably between countries:

- **Sweden:** approximately 4,900 systems, corresponding to 1.6 percent of the population using pre-packed medication sachets.
- **Norway:** approximately 17,000 systems, corresponding to 15.4 percent.
- **Finland:** approximately 20,000 systems, corresponding to 17 percent.

If Sweden were eventually to reach the same level of usage as Norway, this would correspond to approximately 46,000 medication dispensing systems. The comparison relates to the market as a whole and illustrates the scope for increased usage in Sweden.

Sachet users and medication dispensing systems by market

People using pre-packed medication sachets
Medication dispensing systems

	Number		%
Sweden	≈300,000	≈4,900	1.6%
Norway	≈111,000	≈17,000	15.4%
Finland	≈118,000	≈20,000	17%
Netherlands	≈600,000	≈35,000	5.8%
Iceland	≈14,000	—	**No data**
Denmark	≈81,000	—	**No data**

DISPENSING SYSTEMS AS A SHARE OF SACHET USERS

The Company's ARR level in relation to market size

If medication dispensing systems were eventually used by 15 percent of the population using pre-packed medication sachets across the six markets, this would correspond to approximately 183,600 systems.

By comparison, ARR of 22.5 MSEK corresponds to approximately 2,680 active Dosell units, based on the same assumed monthly revenue of 700 SEK per unit. This represents approximately 1.5 percent of the number of systems in the market example.

The calculation illustrates the relationship between the Company's communicated ARR level and the broader market opportunity. It has no timeline and is neither a forecast of market development nor a separate unit target for the Company. Actual growth depends on customer needs, financing and the ability to carry out implementations.

ARR in a broader market context

Market example: 1,224,000 sachet users × 15% = 183,600 systems

183,600
dispensing systems
in the market example

≈2,680 Dosell
≈1.5% **of the market example**

≈22.5 **MSEK ARR**

at 700 SEK per unit per month
2,680 × 700 SEK × 12 months

Pilloxa

SaaS platform for digital patient support programs (Patient Support Programs)
Pilloxa is a Swedish-developed, regulatory-compliant SaaS platform that enables pharmaceutical companies to digitalize their Patient Support Programs (PSPs).
Through a combination of a mobile app, cloud platform, and smart hardware, Pilloxa can improve treatment adherence, increase patient engagement, and provide pharmaceutical companies with valuable insights into how their treatments are used in real life.

The platform is used to create digital patient journeys that strengthen both treatment outcomes and quality of life. Pilloxa makes it possible to educate, motivate, and monitor patients in real time and gives pharmaceutical companies access to anonymized data on adherence, engagement, and results.
In this way, Pilloxa contributes to better health and more data-driven decisions throughout the pharmaceutical value chain.

Improved adherence and faster launches
Traditional patient support programs are often costly and time-consuming to develop. With Pilloxa, pharmaceutical companies can launch digital patient support in less than a month – fully compliant with data protection and medical device regulations.

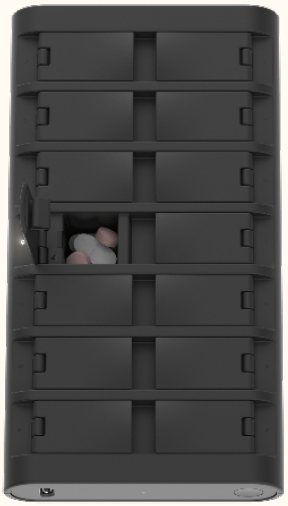
Clinical collaborations have shown that using Pilloxa can increase treatment adherence by up to 14 percent over a year, with an average adherence rate among users exceeding 92 percent.
For pharmaceutical companies, this results in both improved treatment quality and more robust data on drug effectiveness.

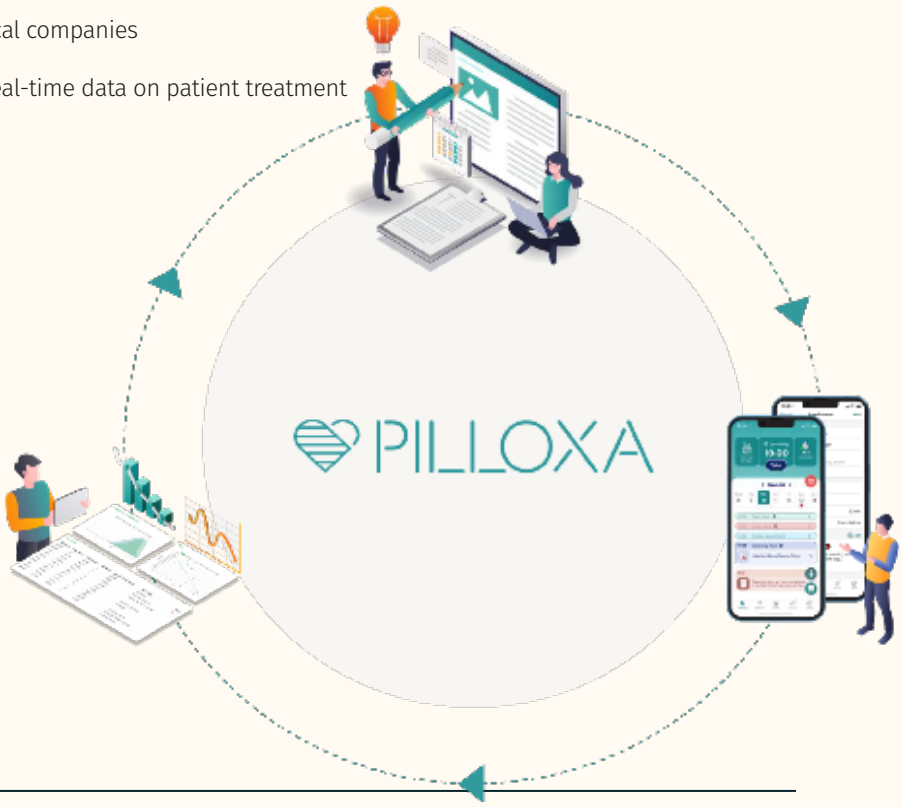
Collaborations and use cases
Pilloxa is currently used in projects and collaborations with several leading pharmaceutical companies and research institutions, including Bayer, Chiesi Germany, and Sahlgrenska University Hospital.
The platform is used in areas such as cardiovascular diseases, diabetes, rare diseases, and autoimmune conditions.

Pilloxa can operate as a standalone patient app or be integrated into the pharmaceutical company's existing systems. The platform manages educational content, reminders, treatment data, and patient interactions – and is built to be customized for each therapeutic area.

A scalable and regulatory-secure solution
Pilloxa is designed to be flexible and quick to implement – suitable for everyone from small biotech firms to global pharmaceutical corporations. Through a white-label solution, each company can launch its own branded patient app without developing a separate technical platform.

Pilloxa in brief
- +14% improved treatment adherence
- 92.5% average adherence among users
- White-label SaaS solution for pharmaceutical companies
- Launch time: under 1 month
- Provides pharmaceutical companies with real-time data on patient treatment





Key figures

THE GROUP

TSEK	2026 Jul-Sept	2025 Jul-Sept	2026 Jan-Sept	2025 Jan-Sept	2025 Jan-Dec
Net sales	1 768	1 102	6 826	3 556	5 991
Operating result (EBIT)	-8 232	-3 273	-21 616	-11 069	-16 783
Operating result before depreciation and amortization (EBITDA)	-6 451	-2 297	-16 624	-8 130	-12 018
Profit after financial items (EBT)	-8 302	-3 537	-22 465	-11 819	-16 790
Earnings per share before/after dilution, SEK	-0,02	-0,01	-0,05	-0,04	-0,05
Equity per share, SEK	0,03	0,05	0,03	0,05	0,03
Equity ratio, %	35,4%	41,0%	35,4%	41,0%	32,8%
Share price at the end of the period, SEK	0,31	0,45	0,31	0,45	0,48
Number of shares at the end of the period	440 977 746	365 214 432	440 977 746	365 214 432	370 486 350
Average number of outstanding shares	437 477 978	358 209 469	415 266 892	327 091 275	336 844 836
Average number of employees	14	7	12	7	10
Number of employees at the end of the period	14	10	14	10	10

Definitions

Operating profit (EBIT)
Profit before financial items.

Operating profit before depreciation and amortization (EBITDA)
Profit before tax, financial items, depreciation and amortization.

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, JULY-SEPTEMBER 2026

The Group's net sales for the quarter amounted to 1,768 (1,102) TSEK. The comparative period does not include the Dutch operations, the consolidation of which explains the increase at Group level. Net sales decreased compared with the previous quarter in the Sweden segment, which comprises Dosell AB, including sales outside Sweden but excluding the Netherlands. The decrease is partly attributable to certain municipalities moving away from directly awarded contracts and planning to make future call-offs under Adda's framework agreement. The contracts in question have not yet been awarded. The main reason for the lower net sales is that certain customers were offered discounted prices during the delivery delays to safeguard customer relationships. At the same time, the Company's sales pipeline continues to grow. Future net sales depend on commercial opportunities being converted into call-offs, deliveries and installations. The communicated ARR level of approximately 10 MSEK refers to an annualised recurring revenue run rate, while net sales represent revenues recognised during the quarter and are affected by the timing of call-offs, deliveries and installations, as well as the prices charged during the period.

Other operating income for the quarter amounted to 0 TSEK (407). The decrease is due to the agreement for subletting the Company's premises ending at the end of 2025, meaning that both the revenues and the corresponding costs have ceased.

Cost of goods sold for the quarter amounted to -955 TSEK (-527). The item primarily reflects inventory changes and the handling of Dosell units under the leasing model, where revenues are generated continuously over the contract period.

Other external costs for the quarter amounted to -2,503 TSEK (-1,464). The increase compared with the corresponding quarter of the previous year is mainly attributable to the consolidation of the Dutch operations and investments in sales and marketing activities. Compared with the previous quarter, costs decreased from -3,041 TSEK. The improvement reflects earlier efforts to improve the efficiency of systems and working methods.

Personnel costs for the quarter amounted to -4,728 TSEK (-1,806). The increase compared with the same period of the previous year is mainly attributable to the consolidation of the Dutch operations and the strengthening of the organization ahead of upcoming rollouts. Staff are now in place to carry out these rollouts. The Company needs to continue investing in the appropriate skills and capacity to convert its extensive sales pipeline into installations and recurring revenues.

Depreciation and amortization of tangible and intangible assets for the quarter amounted to -1,781 TSEK (-976), attributable to capitalized development expenditures related to Dosell and amortization of excess values arising from the acquisition of the Dutch operations.

Net financial items for the quarter amounted to -70 TSEK (-264). Net financial items for the current quarter include currency translation of liabilities attributable to the acquisition of the Dutch operations.

Tax for the quarter amounted to 115 TSEK (0) and relates to a change in deferred tax attributable to acquisition-related excess values.

Net result for the quarter amounted to -8,187 TSEK (-3,537). The deterioration compared with the corresponding quarter of the previous year is mainly attributable to the consolidation of the Dutch operations, an expanded organization and increased investments in sales and marketing. The number of employees increased to 14, compared with 10 as of September 30, 2025, while the result was also impacted by higher amortization of acquisition-related excess values, which do not affect EBITDA or cash flow. Earnings per share amounted to -0.02 SEK (-0.01).

TURNOVER AND RESULTS, JANUARY-SEPTEMBER 2026

The Group's net sales for the period January–September amounted to 6,826 TSEK (3,556). The comparative period does not include the acquired Dutch operations, the consolidation of which contributes to the increase at Group level. At the same time, operating capacity and the sales pipeline have been built up faster than revenues, as several planned implementations and deliveries have been postponed until after the summer. The increased capacity provides the conditions for a higher delivery and installation pace during the second half of the year. Improved profitability requires the pipeline to be converted into more active units and increased recurring revenues.

Other operating income for the period amounted to 8 TSEK (1,234). The decrease is due to the agreement for subletting the Company's premises ending at the end of 2025, meaning that both the revenues and the corresponding costs have ceased.

Cost of goods sold for the period amounted to -2,965 TSEK (-2,272) and primarily relates to inventory changes and Dosell units under leasing arrangements, which generate recurring revenues over time.

Other external costs for the period amounted to -8,235 TSEK (-4,646). The increase is mainly attributable to the consolidation of the Dutch operations and increased investments in sales and marketing activities to support the Group's continued growth.

Personnel costs for the period amounted to -12,207 TSEK (-5,981). The increase is attributable partly to the consolidation of the Dutch operations and partly to strategic reinforcements of the organization to increase the Group's sales, delivery and growth capacity. The number of employees at the end of the period was 14, providing the Company with a stronger platform for continued expansion and management of increased volumes. The Company needs to continue investing in the appropriate skills and capacity to convert its growing sales pipeline into installations and recurring revenues.

Depreciation and amortization of tangible and intangible assets for the period amounted in total to -4,992 TSEK (-2,939). The increase is mainly attributable to amortization of the excess values arising from the acquisition of the Dutch operations and does not affect EBITDA or cash flow.

Net financial items for the period amounted to -849 TSEK (-750). The outcome is mainly attributable to non-cash revaluations and currency effects on long-term, non-interest-bearing liabilities related to the acquisition of the Dutch operations.

Tax for the period amounted to 337 TSEK (0) and relates to a change in deferred tax attributable to acquisition-related excess values.

Net result for the period amounted to -22,128 TSEK (-11,819). The deterioration is mainly attributable to the cost base having grown faster than revenues as a result of the consolidation of the Dutch operations, a strengthened organization and investments in sales and marketing. At the same time, planned call-offs, deliveries and installations have been postponed, affecting revenue development. The result is also impacted by higher acquisition-related amortization and currency effects, which to a large extent do not affect cash flow. Earnings per share amounted to -0.05 SEK (-0.04).

FINANCIAL POSITION, CASH FLOW AND LIQUIDITY

Cash flow from operating activities during the quarter amounted to -6,290 TSEK (-2,890). The deterioration compared with the corresponding period of the previous year is mainly attributable to the higher cost base following the acquisition of the Dutch operations. The quarter was also affected by larger payments specific to this quarter that do not recur every quarter. These related to the annual audit payment, legal expenses associated with the warrant program and the set-off issue relating to the Dutch acquisition, as well as employer contributions and tax related to the warrant program. In addition, purchases of Dosell units have tied up capital ahead of upcoming deliveries and installations. At the same time, the Company's efficiency improvements have contributed to lower costs in certain areas.

Cash flow from investing activities during the quarter amounted to -800 TSEK (2,630).

Cash flow from financing activities for the quarter amounted to -32 TSEK (4,283). Cash flow in the comparative period mainly relates to share issues.

Cash and cash equivalents at the end of the period amounted to 3,060 TSEK, compared with 1,673 TSEK as of December 31, 2025. Dosell's purchases of Dosell units have tied up capital ahead of upcoming deliveries and installations. Dosell AB has secured an overdraft facility of 5 MSEK to support further unit purchases. The facility was undrawn as of September 30, 2026.

Total assets at the end of the quarter amounted to 34,858 TSEK (40,198).

INVESTMENTS AND DEVELOPMENT EXPENDITURE

Investments during the quarter amounted to 800 TSEK (180), mainly attributable to capitalized development costs and the reclassification of units. The Company has invested in platforms to enable increased sales across more markets. At the same time, development of Dosell has continued, with a focus on enhancing the product's capabilities and adapting it to market needs.

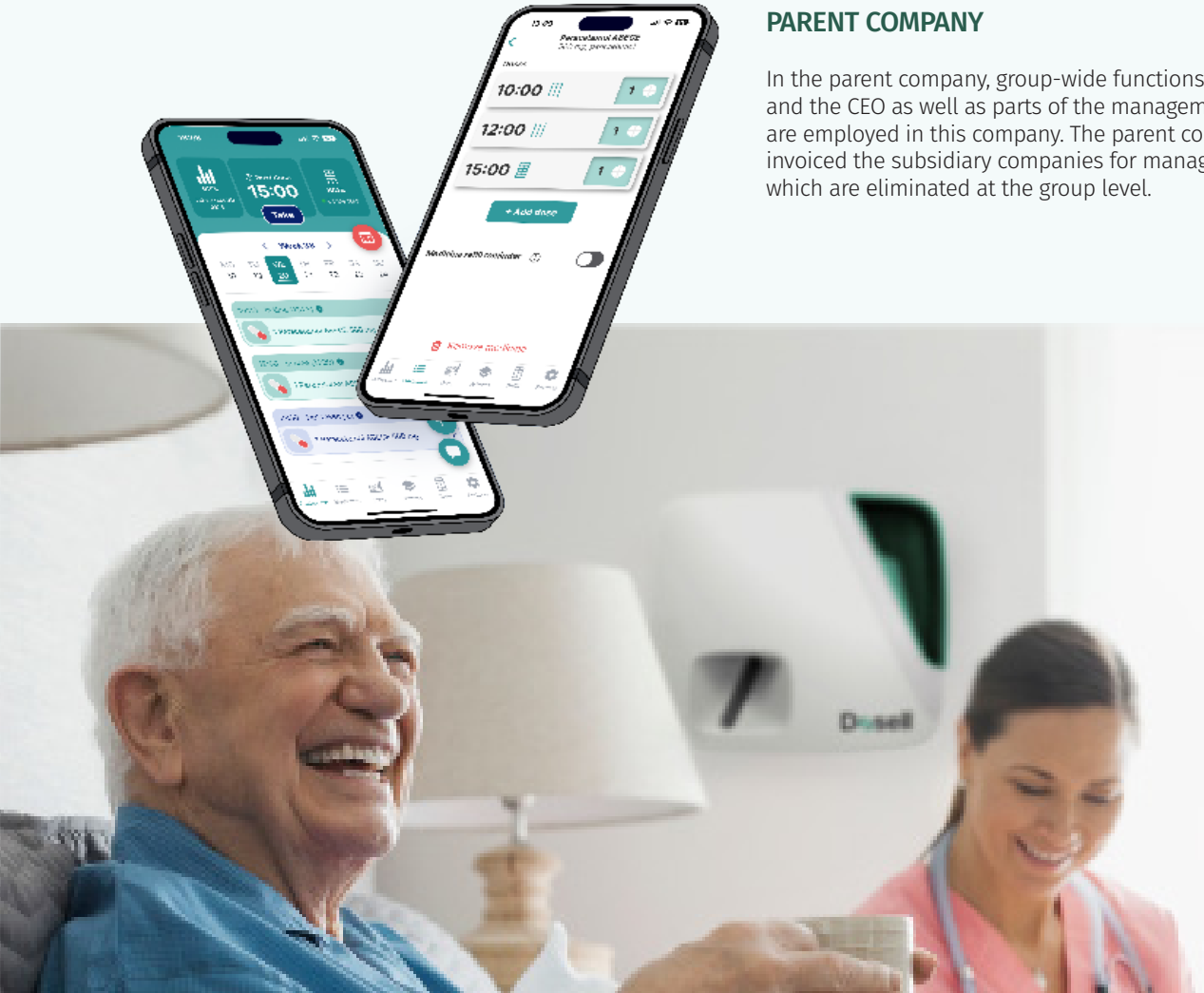
GOING CONCERN

The Group's ability to meet future liquidity needs depends on sales development and continued cost control. Following earlier production delays, deliveries of the new generation of Dosell units have now commenced, creating the conditions for planned customer implementations and a gradual increase in recurring revenues. As more units are installed and become billable, revenues are expected to increase. At the same time, the cost base is expected to decrease through ongoing cost measures and efficiency improvements. Together, these developments are expected to gradually improve the Group's result and cash flow.

The Board of Directors continuously monitors the Group's liquidity development and financial position. Based on current cash and cash equivalents, the secured overdraft facility of 5 MSEK in Dosell AB, the current liquidity forecast and expected sales and cost development, the Board assesses that the Group is in a position to meet its liquidity needs over the coming twelve-month period. This assessment assumes that planned customer implementations and increased revenues materialize substantially in line with the forecast. The report has therefore been prepared on a going concern basis.

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	2026 Jul-Sept*	2025 Jul-Sept	2026 Jan-Sept	2025 Jan-Sept	2025 Jan-Dec
Operating income					
Net sales	1 768	1 102	6 826	3 556	5 991
Other operating income	0	407	8	1 234	1 635
Total revenue	**1 768**	**1 509**	**6 834**	**4 790**	**7 626**
Operating costs					
Cost of goods sold	-955	-527	-2 965	-2 272	-3 587
Other external expenses	-2 503	-1 464	-8 235	-4 646	-6 882
Personnel costs	-4 728	-1 806	-12 207	-5 981	-9 147
Depreciation of tangible and intangible assets	-1 781	-976	-4 992	-2 939	-4 765
Other operating expenses	-33	-9	-51	-21	-28
Total costs	**-10 000**	**-4 782**	**-28 450**	**-15 859**	**-24 409**
Operating profit/loss	**-8 232**	**-3 273**	**-21 616**	**-11 069**	**-16 783**
Net financial items	-70	-264	-849	-750	-7
Profit/loss after financial items	**-8 302**	**-3 537**	**-22 465**	**-11 819**	**-16 790**
Tax on profit for the period	115	0	337	0	114
PROFIT/LOSS FOR THE PERIOD	**-8 187**	**-3 537**	**-22 128**	**-11 819**	**-16 676**
Other comprehensive income					
Translation differences	-10	0	66	0	-163
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**-8 197**	**-3 537**	**-22 062**	**-11 819**	**-16 839**
Basic earnings per share (SEK)	**-0,02**	**-0,01**	**-0,05**	**-0,04**	**-0,05**

* The comparative period does not include the Dutch operations, which have been consolidated in the current year.

Condensed statement of financial position

GROUP

TSEK	2026 30-Sept	2025 30-Sept	2025 31-Dec
ASSETS			
Non-current assets			
Balanced development expenditure	12 913	14 761	14 234
Customer agreements	9 065	10 559	10 265
Patents	50	7	0
Tangible fixed assets	5 504	4 172	4 425
Right-of-use assets	273	251	0
Deferred tax assets	306	0	292
Current assets			
Inventories	2 012	3 042	2 230
Accounts receivable	696	938	797
Current receivable	979	1 620	1 719
Cash and cash equivalents	3 060	4 848	1 673
Total assets	**34 858**	**40 198**	**35 635**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital*	22 049	18 261	18 524
Other capital contributions	157 193	138 044	137 995
Foreign currency translation reserve	-97	0	-163
Retained earnings including profit/loss for the period	-166 798	-139 815	-144 671
Total shareholders' equity	**12 347**	**16 490**	**11 685**
Non-current liabilities			
Postponed tax liabilites	1 827	1 879	2 164
Lease liability	192	0	0
Other long term liabilities**	8 430	13 710	12 873
Current liabilities			
Interest-bearing liabilities	0	63	63
Lease liabilities	86	270	0
Accounts payable	2 248	898	1 805
Other current liabilities***	9 728	6 888	7 045
Total liabilities	**22 511**	**23 708**	**23 950**
Total equity and liabilities	**34 858**	**40 198**	**35 635**

* At the Annual General Meeting on May 28, 2025, it was resolved to reduce the share capital for allocation to unrestricted equity.
** Other long-term liabilities relate to the acquisition of the Dutch operations and are non-interest-bearing.
*** Other current liabilities partly relate to the acquisition of the Dutch operations and are non-interest-bearing.

Condensed statement of changes in equity

GROUP

TSEK	2026 Jul-Sept	2025 Jul-Sept	2026 Jan-Sept	2025 Jan-Sept	2025 Jan-Dec
Equity, opening balance	**17 127**	**10 344**	**11 685**	**9 728**	**9 728**
Total result					
The result of the period	-8 187	-3 537	-22 128	-11 819	-16 676
Transactions with owners					
New share issue	0	10 000	19 703	19 230	19 230
Set-off issue	3 428	0	3 428	0	0
Warrant rights, paid premium	0	0	239	0	264
Share issue expenses	-11	-317	-646	-649	-698
Other comprehensive income					
Translation differences on foreign operations	-10	0	66	0	-163
Equity, closing balance	**12 347**	**16 490**	**12 347**	**16 490**	**11 685**

Condensed satement of cash flows

GROUP

TSEK	2026 Jul-Sept	2025 Jul-Sept	2026 Jan-Sept	2025 Jan-Sept	2025 Jan-Dec
Operating profit/loss	-8 232	-3 273	-21 616	-11 069	-16 783
Adjustments for non-cash items	1 673	976	4 841	2 939	5 114
Interest received, etc.	0	0	0	0	15
Interest paid, etc.	4	-264	-27	-750	-760
Tax paid	0	0	0	0	0
Cash flow from operating activities before change in working capital	-6 555	-2 561	-16 802	-8 880	-12 414
Cash flow form changes in working capital	265	-329	1 905	-2 738	-2 144
Cash flow from operating activities	-6 290	-2 890	-14 897	-11 618	-14 558
Cash flow from investment activities	-800	2 630	-2 905	2 329	2 149
Cash flow from financing activities	-32	4 283	19 170	11 987	11 932
Cash flow for the period	**-7 122**	**4 023**	**1 368**	**2 698**	**-477**
Cash and cash equivalents at the beginning of the period	10 163	825	1 673	2 150	2 150
Exchange rate differences in cash and cash equivalents	19	0	19	0	0
Cash and cash equivalents at close of period	**3 060**	**4 848**	**3 060**	**4 848**	**1 673**

Reporting by business segment

GROUP

TSEK	2026 Jul-Sept	2025 Jul-Sept	2026 Jan-Sept	2025 Jan-Sept	2025 Jan-Dec
External revenue					
Sweden	800	1 102	3 873	3 556	4 848
Netherlands	968	0	2 953	0	1 143
	1 768	**1 102**	**6 826**	**3 556**	**5 991**
Direct costs					
Sweden	-320	-527	-895	-2 272	-2 432
Netherlands	-635	0	-2 070	0	-1 155
	-955	**-527**	**-2 965**	**-2 272**	**-3 587**
Contribution margin					
Sweden	480	575	2 978	1 284	2 416
Netherlands	333	0	883	0	-12
	813	**575**	**3 861**	**1 284**	**2 404**
Other items					
Other operating income	0	407	8	1 234	1 635
Other external costs	-2 536	-1 473	-8 286	-4 667	-6 910
Personnel costs	-4 728	-1 806	-12 207	-5 981	-9 147
	-7 264	**-2 872**	**-20 485**	**-9 414**	**-14 422**
Operating profit before depreciation	**-6 451**	**-2 297**	**-16 624**	**-8 130**	**-12 018**

Condensed income statement

PARENT COMPANY

TSEK	2026 Jul-Sept	2025 Jul-Sept	2026 Jan-Sept	2025 Jan-Sept	2025 Jan-Dec
Operating income					
Net sales	370	450	1 114	1 350	1 790
Other operating income	0	405	0	1 210	1 614
Total revenue	**370**	**855**	**1 114**	**2 560**	**3 404**
Operating costs					
Other external expenses	-772	-1 046	-3 196	-3 376	-4 507
Personnel costs	-1 574	-822	-4 249	-2 772	-3 696
Deprecation and amortization of property, plant and equipment, and intangible assets	0	-13	0	-38	-41
Total costs	**-2 346**	**-1 881**	**-7 445**	**-6 186**	**-8 244**
Operating profit/loss	**-1 976**	**-1 026**	**-6 331**	**-3 626**	**-4 840**
Net financial items	-965	-230	-2 366	-950	-198
Profit/loss after financial items	**-2 941**	**-1 256**	**-8 697**	**-4 576**	**-5 038**
Tax on profit for the period	0	0	0	0	0
PROFIT/LOSS FOR THE PERIOD	**-2 941**	**-1 256**	**-8 697**	**-4 576**	**-5 038**

Condensed balance sheet

PARENT COMPANY

TSEK	2026 30-Sept	2025 30-Sept	2025 31-Dec
ASSETS			
Non-current assets			
Tangible fixed assets	0	4	0
Financial fixed assets	42 335	42 723	42 723
Current assets			
Current receivables	26 920	16 225	17 741
Cash and bank balances	2 232	1 877	843
Total assets	**71 487**	**60 829**	**61 307**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Restricted equity			
Share capital	22 049	18 261	18 524
Unrestricted equity			
Share premium reserve	156 512	137 602	137 553
Retained earnings includning profit/loss for the period	-122 742	-113 823	-114 284
Total shareholders' equity	**55 819**	**42 040**	**41 793**
Non-current liabilities			
Other non-current liabilities	8 430	13 710	12 873
Current liabilities			
Accounts payable	302	480	466
Other current liabilities	6 936	4 599	6 175
Total liabilities	**15 668**	**18 789**	**19 514**
Total equity and liabilities	**71 487**	**60 829**	**61 307**

Accounting principles, risks, and other information.

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 (reg. no. 556762-3391), is a public limited liability company domiciled in Stockholm, Sweden. The Company's B shares are listed on Nasdaq First North Growth Market. iZafe Group AB has three wholly owned subsidiaries: Dosell AB (reg. no. 556898-3018), Pilloxa AB (reg. no. 559019-3354), and the Dutch subsidiary Dosell B.V. (reg. no. 93942362)

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.

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 2026. None of these are expected to have an impact on the Group's financial reports.

TRANSACTIONS WITH RELATED PARTIES

Board members have invoiced the Company for consulting services through 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.

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.



SIGNIFICANT RISKS AND UNCERTAINTIES

The Group's development depends on commercial agreements and customer dialogues being converted into installations and recurring revenues at the expected pace. Implementations among municipalities and other healthcare providers may be affected by, among other things, budget processes, procurements and internal decision-making processes, which may result in planned installations and revenues being postponed.

Dosell's hardware-based business model with recurring revenues means that growth may require investments in production and inventory before the corresponding revenues are realized. The Group is therefore exposed to risks related to component availability, production, delivery times and working capital, and is dependent on intellectual property rights and technical solutions.

The Group's future liquidity needs are affected by sales development, cost control and capital tied up in connection with growth. An increased pace of production and installation may result in a greater need for working capital before the corresponding recurring revenues are realized. The Board of Directors therefore continuously monitors the liquidity development and adjusts production planning, capital tied up and the cost level based on the Company's financial conditions. External working capital financing may be used, if necessary, to support capital tied up in connection with growth.

SEGMENTS

The Group has two operating segments: Sweden and the Netherlands.

IZAFE SHARES

iZafe has issued two classes of shares, A shares and B shares. The B share is traded on Nasdaq First North Growth Market. Each A share carries ten votes, and each B share carries one vote. As of September 30, 2026, the share capital amounted to 22,048,887.30 SEK, divided into 600,000 A shares and 440,377,746 B shares, with a quota value of 0.05 SEK per share.

WARRANTS

The Group has two outstanding warrant programs.

LTIP 2026:I – Incentive program for the CEO, senior executives and other employees

LTIP 2026:I comprises a series of warrants issued to the Company's CEO, senior executives and other employees. LTIP 2026:I comprises a total of not more than approximately 23,952,638 warrants, which together entitle the holders to subscribe for a maximum of 23,952,638 Class B shares.

The warrants entitle the holders to subscribe for Class B shares in the Company at a subscription price of SEK 0.10 per Class B share, provided that the average share price of the Class B share during a period prior to the first exercise date amounts to at least 200% of the volume-weighted average price (VWAP) during the ten trading days preceding the Annual General Meeting. The exercise period for the warrants falls in June 2028. Upon full exercise of the warrants issued under LTIP 2026:I, the Company's share capital may increase by a maximum of SEK 1,197,631.90. The warrants are subject to customary recalculation terms in connection with issues, etc.

LTIP 2026:II – Incentive program for the Board of Directors

LTIP 2026:II comprises 2,000,000 warrants entitling the holders to subscribe for the same number of Class B shares in the Company at a subscription price of SEK 0.10 per Class B share, provided that the average share price of the Class B share during a period prior to the first exercise date amounts to at least 200% of the volume-weighted average price (VWAP) during the ten trading days preceding the Annual General Meeting. The exercise period for the warrants falls in June 2028. Upon full exercise of the warrants issued under LTIP 2026:II, the Company's share capital may increase by a maximum of SEK 100,000.

Board members participating in the program used the board remuneration resolved by the Annual General Meeting, net after tax, to pay for the warrants and waived the remaining part of the board remuneration. The warrants are subject to customary recalculation terms in connection with issues, etc.

The maximum dilution from the warrant programs amounts to approximately 5.56 percent of the total number of shares and approximately 5.49 percent of the total number of 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

2027-02-16	2026 Year-End Report
2027-04-29	Interim report Q1 2027
2027-05-04	Annual report 2026
2027-08-24	Interim report Q2 2027
2027-11-02	Interim report Q3 2027
2028-02-15	Year-End report 2027

Financial reports are available on the company's website, www.izafegroup.com, the same day as they are published.

ANNUAL GENERAL MEETING

The Annual General Meeting will be held on May 27, 2027. Notice of the meeting, including further information, will be issued at least four weeks before the meeting.

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, November 3, 2026.

iZafe Group AB (publ.)

Anders Segerström	CEO
Richard Wolff	Chairman of the Board
Anna Håkansson	Board Member
Anna Nyquist	Board Member

CONTACT

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