

Q3 Interim Report

Third quarter 2022

Summary of financial performance

- Net sales for the quarter amounted to SEK 75 (38) thousand. The quarter's net sales consist of revenues related to the sale of the digital pharmaceutical robot Dosell.
- Operating profit for the quarter amounted to SEK -5,680 (-5,342) thousand.
- Profit after financial items for the quarter amounted to SEK -5,751 (-6,183) thousand.
- Cash flow for the period amounted to SEK -4,513 (-6,475) thousand.
- Earnings per share for the quarter before / after dilution amounted to SEK -0.1 (-0.2).
- Equity per share at the end of the period amounted to SEK 0.3 (1.5).
- The equity ratio at the end of the period was 75.0 (62.3) percent.

Significant events during the quarter

- The company has signed a cooperation agreement with the welfare platform Avanto Care. The collaboration means that iZafe's products are integrated with Avanto Care's platform and gives the opportunity to work more proactively with the users' medication.
- With our partners Careium AS and Hepro AS, 20 and 25 Dosell have respectively been implemented in new municipalities in Norway.
- Together with Aleris, the Company has started a pilot project for safer medication management. The goal is to introduce Dosell for the patient group that has advanced healthcare at home. During the quarter, 30 patients were introduced to the pharmaceutical robot.

Significant events after the end of the quarter

- During quarter four 2022, 12,075,688 warrants of series TO10B were exercised, representing approximately 34.1 percent of outstanding warrants. The subscription price amounted to SEK 0.26 per B-share and raised approximately SEK 3.1 million for the company before issue costs
- The company has signed a cooperation agreement with Medcam AB, which sells medical devices to the healthcare sector in the Nordic region and Europe. The primary focus will be on the Dutch market, but the potential for the company to enter several countries exists in the near future.

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 at home.

The company is leading the development of digital dispensing of medication through its medication-dispensing robot Dosell, which reduces the risk of medication errors at home, relieves the burden on public healthcare systems, improves quality of life for patients and creates a safer environment for relatives.

iZafe's consumers comprise both consumers and public and private healthcare providers in Sweden, the Nordic region and worldwide.

iZafe Group primarily sells through well-established partners that already have close, longterm customer relationships with prioritized customer groups. The head office is located in Stockholm, Sweden.

iZafe Group AB is listed on Nasdaq First North Premier Growth Market since 2018.



iZafe Group AB (publ.)

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Business overview

Correct medication improves patients' health

A rapidly ageing population and an increase in chronic conditions increase the risk of medication errors. A growing number of people are being prescribed medicines and up to 70% of people over 60 take three or more medicines in Europe alone. In the EU, poor medication adherence results in 200,000 deaths each year, costing society €125 billion. iZafe Group develops and commercializes digital products and services that ensure people take the right medicine at the right time. iZafe Group's product Dosell is a digital medication dispensing robot specifically designed to ensure medication adherence. Dosell creates the right conditions for more people to lead healthy, independent lives.

Digitalization ensures efficient and patient-safe care

Digital platforms enable people to receive care where and when it is needed, reducing the risk of medication errors and enabling more responsive care. iZafe's Dosell product enables scarce welfare and healthcare resources to be used more efficiently, by automating processes that would otherwise be subject to human error. Dosell is designed to be used by the patient at home, in the healthcare setting or in a care setting. Dosell dispenses dose bags to the patient at the specified time and a caregiver, relative or friend can be connected to the Dosell device via a mobile app to check compliance. If the patient does not take their medication at the specified time, an alarm is sent to the caregiver or relative. This increases patient safety and also empowers patients. In Sweden, over 200,000 people currently use dosing bags and the number is expected to grow in the future.

A key driver for iZafe Group's business is the growth of the digital wellbeing and healthcare platform market. The global digital healthcare market is expected to grow to USD 441.8 billion by the end of 2025. The digitization of the healthcare market has also created a global market for automated medication dispensing robots, which is expected to grow at a CAGR of 9.5 percent to over USD 2 billion by the end of 2027.

Business model

iZafe Group develops and sells the Dosell automated pharmaceutical robot. Sales are made through selected corporate partners with local market knowledge. iZafe Group receives recurring revenues in the form of license fees for sales to public and private welfare and healthcare partners and subscription fees for sales to consumers. In addition to

recurring revenues, a hardware fee is charged for each Dosell. B2B sales are targeted at 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 partners. B2C sales are made through direct-to-consumer partners or partners that offer integrated welfare and healthcare solutions directly to the consumer.

Several new partnerships have been established

The iZafe Group is currently focusing on developing its B2B operations in Sweden, Norway and Finland and its B2C operations in Sweden and Italy. In addition to the B2B partners iZafe Group is working with in the Nordic markets, iZafe Group has established a partnership with a global provider of digital healthcare platforms that may lead to Dosell being made available in more European markets. In B2C, iZafe Group sells Dosell in Sweden through Apoteket AB, the country's largest pharmaceutical chain, to meet the needs of its customers and their families.

In Italy, iZafe Group has established a partnership with a private healthcare provider that develops digital platforms to enable the elderly to stay in their homes longer. The Italian dose bag market is growing and more and more pharmacies are packaging medicines in dose bags. iZafe Group's Italian partners are set to grow the market and Dosell is a crucial part of the growth journey.

Dosell remains market leader

One of iZafe Group's key areas of focus has been to ensure that Dosell meets the needs of partners and patients. Going forward, the main focus will be on consolidating Dosell's position as a leader in the digital medicine dispensing market. iZafe Group will identify growth opportunities through acquisitions, new partnerships and continue the development and commercialization of products and services with existing partners to make it easier for more people to receive medicine at the right time.

COMMENTS FROM THE CEO



A lot has happened in the last quarter and we continue to make strides on our growth journey - both in the Swedish and European markets.

There is a growing demand for products and services that enable more digital care where medication and adherence are crucial.

Our Dosell vending machine continues to do well across the board and we are pleased to see strong demand and positive sales for Dosell consumer through Apoteket AB. The packaging and

sales of our consumer product have been crucial in moving forward in dialogues with potential partners in other European countries. We have now accumulated enough experience and documentation to streamline the processes and reduce the costs associated with selling and marketing Dosell to consumers.

Our entire business concept is based on sales through specific partners who handle sales, warehousing, logistics and marketing. With a focus on ensuring quality in small volumes at first, we will be able to scale up the volume and sales of many of our partners in more markets as early as next year.

We have also started the implementation of Dosell at Aleris ASIH (Advanced Home Healthcare) which is very exciting. The whole ASIH market relies on a different type of Dosell than the procured Dosell at regional level. It has a different design that makes it very difficult for the drug robots to handle. We can proudly say that we are the only pharmaceutical robot on the Swedish market that can handle these dose bags.

We have a clear vision to offer proactive holistic health for many more providers and patients, with a focus on these four elements:

1. Securing established and professional owners who can support the company with long-term external funding
2. Strategic acquisitions that broaden our offering and portfolio ensuring the right medicine at the right time
3. Managing personal data and ensuring that the necessary integration work is implemented
4. Internationalization towards new markets and together with both existing and new partners

Since October, we have a new Board in place that will help us to realize the action plan ahead. We have secured expertise and networks around finance, digitization, GDPR, sensitive data management and legal requirements. There we now have a clear strategy and plan for acquisitions, integrations with other wellbeing platforms, sales and internationalization.

The potential acquisition of Pilloxa is very interesting as we see that there is a strong demand around the ability to ensure adherence through all stages of the patient journey and to be able to integrate data into wellbeing platforms and home monitoring. The status on this is that we have completed due diligence and are now in the final stages of negotiations.

Another milestone during the quarter is our entry into the Dutch market. The Netherlands is an important market for us as they are the foremost pioneers in dose packaged medicine. The majority of all manufacturers of dose packaging machines are based in the Netherlands, which means that once we have been successful there, there will be positive knock-on effects throughout Europe.

Finally, I would like to mention that we are in dialogue with several other players in key markets in Europe, with whom we hope to have a clear agreement shortly. In this way, iZafe can in the future contribute broadly to a more proactive holistic approach to health, resulting in better health for more people. Socially sustainable value for society - that's really important.

Stockholm in November 2022
Anders Segerström
CEO, iZafe Group

Key figures

Group

	2022	2021	2022	2021	2021
TSEK	July-Sep	July-Sep	Jan-Sep	Jan-Sep	Jan-Dec
Net sales	75	38	535	222	442
Operating profit/loss (EBIT)	-5 680	-5 342	-17 848	-20 523	-33 273
Profit/loss after financial items (EBT)	-5 751	-6 183	-18 016	-23 332	-36 275
Earnings per share before/after dilution, SEK	-0,1	-0,2	-0,3	-0,7	-0,8
Equity per share, SEK	0,3	1,5	0,3	1,5	0,6
Equity ratio, %	75,0%	62,3%	75,0%	62,3%	84,1%
Share price at balance sheet date, SEK	0,4	1,6	0,4	1,6	0,8
Number of shares at the end of the period	70 874 308	35 435 674	70 874 308	35 435 674	70 874 308
Average number of shares outstanding	70 874 308	35 435 674	70 874 308	34 834 395	46 249 414
Average number of employees	8	9	8	8	9
Number of employees at the end of the period	7	8	7	8	8

Definitions

Operating profit/loss

Profit/loss before net financial items.

Basic earnings per share

Basic earnings per share are calculated by dividing earnings attributable to Parent Company shareholders by the weighted average number of common shares outstanding during the period.

Equity per share

Equity at the end of the period divided by the number of shares 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 equivalents.

Financial overview

Group

TURNOVER AND RESULTS, JULY-SEPTEMBER 2022

Net sales for the quarter amounted to SEK 75 thousand (38). The quarter's revenue is attributed to the sale of the Dosell digital pharmaceutical robot, which generates revenue partly through the sale of hardware and partly through a recurring subscription fee.

Merchandise for the quarter amounted to SEK 522 thousand (119) and is entirely attributed to costs related to Dosell sold and delivered. Other external costs for the quarter amounted to SEK 2,448 thousand (2,352). The item includes ongoing costs for commercialization and ongoing modifications of the Dosell. The Company is continuously reviewing its cost structure and streamlining its purchasing to reduce overall costs.

Personnel costs for the quarter amounted to SEK 1,795 thousand (1,863). The average number of employees for the quarter was 8 compared to 9 for the corresponding period last year.

Amortization of intangible assets for the quarter amounted to SEK 754 thousand (987) and is mainly attributable to capitalized development expenses relating to Dosell. Depreciation of tangible assets for the quarter amounted to SEK 236 thousand (60) and is attributable to depreciation of rights of use and inventories.

Net finance costs for the quarter amounted to SEK -71 thousand (-841) and are mainly attributed to interest on lease debt. The comparative year's figures also include borrowing costs of SEK 14,000 thousand for the credit facility.

Net profit for the period amounted to SEK -5,751 thousand (-6,183). Earnings per share amounted to SEK -0.1 (-0.2).

TURNOVER AND RESULT, JANUARY-SEPTEMBER 2022

Net sales for the period amounted to SEK 535 thousand (222). The period's revenue is attributed to the sale of the Dosell digital pharmaceutical robot, which generates revenue partly through the sale of hardware and partly through a recurring subscription fee.

Merchandise for the period amounted to SEK 796 thousand (415) and is entirely attributed to costs related to Dosell sold and delivered. Other external costs for the period amounted to SEK 8,192 thousand (10,843). The item includes ongoing costs for commercialization and ongoing modifications of the Dosell. The Company is continuously reviewing its cost structure and streamlining its purchasing in order to reduce overall costs.

Personnel costs for the period amounted to SEK 6,264 thousand (5,858). The average number of employees for the period was 8 compared to 8 for the corresponding period last year.

Amortization of intangible assets for the period amounted to SEK 2,261 thousand (2,962) and is mainly related to capitalized development expenses for Dosell. Depreciation of tangible assets for the period amounted to SEK 866 thousand (601) and is attributable to depreciation of rights of use and inventories.

Net finance costs for the period amounted to SEK -168 thousand (-2,809) and are mainly attributed to interest on lease debt. The figures for the comparative year also include borrowing costs for the credit facility of SEK 14,000 thousand.

Profit for the period amounted to SEK -18,016 thousand (-23,332). Earnings per share amounted to SEK -0.3 (-0.7).

FINANCIAL POSITION, CASH FLOW AND LIQUIDITY

Cash flow from operating activities for the quarter amounted to SEK -3,736 thousand (-6,328) as a result of the adaptation of Dosell for foreign markets and the commercialization of the product combined with continued limited revenues. Cash flow from working capital amounted to SEK 1,025 thousand (-1,192). Cash flow from operating activities for the period January-September amounted to SEK -15,485 thousand (-20,893) and follows the same pattern as for the quarter.

Cash flow from investing activities for the quarter amounted to SEK -611 thousand (-83), which is attributed to intangible assets. The company is further developing Dosell and this work will enable Dosell to be compatible with more modern technology. All investments related to this development are capitalized. Cash flow from investing activities for the period January-September amounted to SEK -2,416 thousand (-157) and follows the same pattern as for the quarter.

Cash flow from financing activities for the quarter amounted to SEK -166 thousand (-64) and relates to the repayment of lease debt. Cash flow from financing activities for the period January-September amounted to SEK -754 thousand (-19,964) and relates to repayment of lease debt. The year under review was also positively affected by the credit facility of SEK 14,000 thousand, the exercise of warrants and the proceeds from the rights issue.

Cash and cash equivalents at the end of the period amounted to SEK 71 thousand (1,462).

The balance sheet total at the end of the quarter was SEK 30,271 thousand (85,091). The significant difference between the years is attributed to the ongoing issue last year, where approximately SEK 53 million is reported as a short-term receivable, as the cash flowed in during quarter four. Intangible assets are otherwise the most significant item on the balance sheet, largely attributed to development costs relating to Dosell amounting to SEK 20,156 thousand (20,963).

INVESTMENTS AND DEVELOPMENT EXPENDITURE

Investments in the quarter amounted to SEK 611 thousand (83) and relate to development costs for the current year relating to the further development of Dosell. The comparative year relates to the purchase of inventory.

CONTINUING OPERATIONS

The Company's ability to meet future cash requirements is highly dependent on sales success and profitability. There can be no assurance that the Company will be able to raise the necessary liquidity if required. The Board is continually evaluating various financing options to ensure continued operations, as the Company has additional financing needs within the next 12 months that have not yet been secured. The absence of securitization at the date of this report means that there is an element of uncertainty regarding the Company's ability to continue as a going concern.

PARENT COMPANY

Group-wide functions are carried out in the parent company and the CEO and part of the management team are employed in this company. The Parent Company has invoiced the subsidiaries for management fees, which are eliminated at Group level.

Condensed income statement

GROUP

TSEK	2022	2021	2022	2021	2021
	July-Sep	July-Sep	Jan-Sep	Jan-Sep	Jan-Dec
Operating income					
Net sales	75	38	535	222	442
Other operating income	0	1	4	-66	-66
Total revenue	75	39	539	156	376
Operating expenses					
Goods for resale	-522	-119	-796	-415	-1 580
Other external expenses	-2 448	-2 352	-8 192	-10 843	-19 173
Personnel costs	-1 795	-1 863	-6 264	-5 858	-8 049
Depreciation of tangible and intangible assets	-990	-1 047	-3 127	-3 563	-4 847
Other operating expenses	0	0	-8	0	0
Total cost	-5 755	-5 381	-18 387	-20 679	-33 649
Operating profit/loss	-5 680	-5 342	-17 848	-20 523	-33 273
Net financial items	-71	-841	-168	-2 809	-3 002
Profit/loss after financial items	-5 751	-6 183	-18 016	-23 332	-36 275
Tax on profit for the period	0	0	0	0	0
PROFIT/LOSS FOR THE PERIOD	-5 751	-6 183	-18 016	-23 332	-36 275
Basic earnings per share (SEK)	-0,1	-0,2	-0,3	-0,7	-0,8

Condensed statement of financial position

TSEK	2022	2021	2021
	30-Sep	30-Sep	31-Sep
ASSETS			
Balanced development expenditure	20 156	20 963	19 982
Other intangible assets	84	110	103
Right-of-use assets	155	148	193
Current assets	3 696	5 209	4 924
Inventories			
Accounts receivable	4 658	2 748	2 571
Current receivable	0	25	222
Cash and cash equivalents	1 261	54 426	1 708
Total assets	71	1 462	18 726
	30 081	85 091	48 429
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital			
Ongoing new share issue			
Other contributed capital	14 175	35 436	70 874
Retained earnings including profit/loss for the period	0	53 154	0
Total shareholders' equity	126 605	51 521	69 905
Non-current liabilities	-118 252	-87 103	-100 046
Lease liabilities	22 528	53 008	40 733
Current liabilities			
Interest-bearing liabilities	2 787	3 958	3 894
Lease liability			
Accounts payable	0	14 000	0
Other current liabilities	1 043	1 291	1 090
Total liabilities	2 813	2 726	1 340
Total equity and liabilities	910	10 108	1 372
ASSETS	7 553	32 083	7 696
Non-current assets	30 081	85 091	48 429

Condensed statement of changes in equity

GROUP

TSEK	2022	2021	2022	2021	2021
	July-Sep	July-Sep	Jan-Sep	Jan-Sep	Jan-Dec
Equity, Opening balance	28 468	15 673	40 733	29 458	29 458
Comprehensive income					
Profit/loss for the period	-5 751	-6 183	-18 016	-23 332	-36 275
Transactions with owners					
Set-off issues	0	0	0	862	862
New share issue	0	53 154	0	53 154	53 154
Issue with subscription rights	0	0	0	2 621	2 625
Share issue expenses	0	-9 636	0	-9 755	-9 091
Equity, closing balance	22 717	53 008	22 717	53 008	40 733

Condensed statement of cash flows

GROUP

TSEK	2022	2021	2022	2021	2021
	July-Sep	July-Sep	Jan-Sep	Jan-Sep	Jan-Dec
Operating profit/loss	-5 680	-5 342	-17 848	-20 523	-33 273
Adjustments for non-cash items	990	1 047	3 127	3 563	4 847
Interest received, etc.	0	0	0	0	0
Interest paid, etc.	-71	-841	-168	-2 809	-3 002
Tax paid	0	0	0	0	0
Cash flow from operating activities before change in working capital	-4 761	-5 136	-14 889	-19 769	-31 428
Cash flow from changes in working capital	1 025	-1 192	-596	-1 124	-2 065
Cash flow from operating activities	-3 736	-6 328	-15 485	-20 893	-33 493
Cash flow from investment activities	-611	-83	-2 416	-157	-214
Cash flow from financing activities	-166	-64	-754	19 964	49 885
Cash flow for the period	-4 513	-6 475	-18 655	-1 086	16 178
Cash and cash equivalents at the beginning of the period	4 584	7 937	18 726	2 548	2 548
Cash flow from operating activities	71	1 462	71	1 462	18 726

Condensed income statement

PARENT COMPANY

TSEK	2022	2021	2022	2021	2021
	July-Sep	July-Sep	Jan-Sep	Jan-Sep	Jan-Dec
TSEK					
Operating income	500	636	1 503	1 754	2 119
Net sales	0	1	0	-67	-67
Other operating income	500	637	1 503	1 687	2 052
Total revenue					
Operating expenses	-1 107	-909	-3 741	-4 658	-10 025
Other external costs	-766	-699	-2 916	-2 387	-3 514
Personnel costs	-13	7	-38	-9	-21
Depreciation and amortization of property, plant and equipment, and intangible assets	-1 886	-1 601	-6 695	-7 054	-13 560
Total costs					
	-1 386	-964	-5 192	-5 367	-11 508
Operating profit/loss					
	-14 592	-841	-14 593	-2 711	-25 851
Net financial items	-15 978	-1 805	-19 785	-8 078	-37 359
Profit/loss after financial items					
	0	0	0	0	0
Tax on profit for the period					
PROFIT/LOSS FOR THE PERIOD	-15 978	-1 805	-19 785	-8 078	-37 359

Condensed balance sheet

PARENT COMPANY

TSEK	2022	2021	2021
	30-Sep	30-Sep	31-Dec
ASSETS			
Non-current assets			
Property, plant and equipment	155	148	193
Non-current financial assets	24 000	30 000	23 000
Current assets			
Current receivables	435	66 053	3 658
Cash and bank balances	46	1 010	17 529
Total assets	24 636	97 211	44 380
SHAREHOLDERS' EQUITY AND LIABILITIES			
Restricted equity			
Share capital	14 175	35 436	70 874
Ongoing new share capital	0	53 154	0
Share premium reserve			
Retained earnings including profit/loss for the period	126 545	51 461	69 845
Total shareholders' equity	-117 217	-68 151	-97 432
	23 503	71 900	43 287
Current liabilities			
Liabilities to credit institutions			
Accounts payable	0	14 000	0
Other current liabilities	583	1 758	371
Total liabilities	550	9 553	722
	1 133	25 311	1 093
Total equity and liabilities	24 636	97 211	44 380

Accounting policies, risks and supplementary information

NOTE 1. COMPANY INFORMATION

The Group's operations include the development and marketing of products that contribute to a more qualitative and safe healthcare at home in both the Swedish and the international market. The Group develops and sells the Dosell product, with the aim of offering reliable and safe medication.

The Group's parent company, iZafe Group AB (corporate identity number 556762-3391), is a public limited company with its registered office in Stockholm, Sweden. The company's B shares are listed on Nasdaq First North Premier. The subsidiary Dosell AB (corporate identity number 556898-3018), develops and produces medical devices.

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 PREPARATION OF THE INTERIM REPORT

The Group applies the Annual Accounts Act and International Financial Reporting Standards (IFRS) as adopted by the EU and RFR 1 Supplementary Accounting Rules for Groups when preparing financial reports. The Parent Company applies the 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 principles, please refer to the most recently published annual

Changes to significant accounting policies

A number of new standards and amendments to the standards will enter into force for financial years beginning on 1 January 2022. None of these are deemed to have any impact on the Group's financial reports.

NOTE 3. RELATED-PARTY TRANSACTIONS

The company's board has invoiced consulting services from own companies amounting to SEK 0 thousand (325) for the quarter. In addition to this, the Group has not done any business with related parties during the reporting period in addition to the usual salaries and remuneration to the Board and company management.

NOTE 4. FINANCIAL RISKS

Through its operations, iZafe is exposed to a number of different financial risks, such as market risk, credit risk, currency risk and liquidity risk. The Group's management and board work actively to minimize these risks. A detailed account of risks appears in the most recently published annual report.

NOTE 5. MATERIAL RISKS AND UNCERTAINTIES

The group's business consists of the sale of the patented Dosell pharmaceutical robot and related subscription fees. Dosell has relatively recently been launched on the market. It is therefore not yet possible to draw any far-reaching conclusions about market acceptance of the product or to see any trends in sales and profits. Furthermore, the company is dependent on intellectual property rights which are difficult to protect through registration.

The company's ability to meet future cash requirements is highly dependent on sales success and profitability. There is no guarantee that the company will be able to obtain the necessary financing if needed. The Board is continually evaluating various financing options to ensure continued operation, as the Company has additional financing needs within the next 12 months that have not yet been secured. The absence of securitization at the date of this report means that there is an element of uncertainty regarding the Company's ability to continue as a going concern.

NOT 6. iZAFE SHARES

iZafe has issued shares in two classes, A shares and B shares. The B shares have been traded on NASDAQ First North Premier since 2 January 2018. The A shares carry ten votes per share and the B shares carry one vote per share. As of 30 September 2022, the share capital amounted to SEK 14,174,862 divided into 600,000 A-shares and 70,274,308 B-shares, with a quota value of SEK 0.2 per share.

At the Annual General Meeting on 12 May 2022, the Meeting resolved to amend the Articles of Association so that the share capital shall amount to a minimum of SEK 14 000 000 and a maximum of SEK 56 000 000. The meeting also resolved to reduce the company's share capital by a maximum of SEK 56,699,446.40 through a transfer to unrestricted equity. The reduction shall be implemented without cancellation of shares. In July 2022, the Swedish Companies Registration Office registered the change, reducing the share's quota value from SEK 1 to SEK 0.2, while at the same time reducing the share capital from SEK 70 874 308 to SEK 14 174 862. The number of shares remained unchanged.

NOT 7. SHARE WARRANTS

The Group has three outstanding warrants, of which TO11 and TO12 were decided at the Extraordinary General Meeting on 5 October 2022.

TO10 B

During the fourth quarter of 2022, 12,075,688 TO10B warrants were exercised, representing approximately 34.1 percent of the outstanding warrants. The subscription price amounted to SEK 0.26 per B-share and raised approximately SEK 3.1 million for the company before issue costs.

TO11 - Incentive program for certain employees

Each TO11 warrant entitles the holder to subscribe for one (1) new Class B share in the Company for a cash payment equal to 200 percent of the volume weighted average price as quoted on Nasdaq's official share price list for the 10 trading days immediately preceding the Extraordinary General Meeting. The subscription price is therefore SEK 0.88. Subscription for the shares under the warrants shall be made in accordance with the terms and conditions of the warrants during the period from 1 November 2025 to 30 November 2025 inclusive. The total number of warrants in TO11 is 1,700,000.

Upon full exercise, the share capital will increase by SEK 340,000. The warrants are subject to customary conversion conditions in connection with the issue, etc. The maximum dilution effect of the warrant program amounts to approximately 2 percent of the total number of shares and votes in the company.

TO12 - Incentive scheme for members of the Board of Directors

Each TO12 warrant entitles the holder to subscribe for one (1) new Class B share in the Company for a cash payment equal to 200% of the volume weighted average price as quoted on the Nasdaq Official List for the share 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 warrants shall be made in accordance with the terms and conditions of the warrants during the period from 1 November 2025 to 30 November 2025 inclusive. The total number of warrants in TO12 is 2,900,000.

Upon full exercise, the share capital will increase by SEK 580,000. The warrants are subject to customary conversion conditions in connection with the issue, etc. The maximum dilution effect of the warrant program amounts to approximately 4 percent of the total number of shares and votes in the company.

In addition to the aforementioned option program, there are currently no other outstanding warrants, convertibles or similar financial instruments that may entitle the holder to subscribe for new shares or otherwise affect the share capital of the Company.

Review

This report has not been subject to review by iZafe Group's auditor.

CERTIFIED ADVISER

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UPCOMING FINANCIAL STATEMENTS

2023-02-03	Year-end report
2023-04-05	Annual report

Financial reports are available on the company's website, www.izafe.se, on the day they are published.

DECLARATION

The Board of Directors and the CEO assure that the interim report provides a fair overview of the Parent Company's and the Group's operations, position and results and describes significant risks and uncertainties that the Parent Company and the companies included in the Group face

Stockholm, 7 November 2022

iZafe Group AB (publ.)

Anders Segerström	CEO
Björn Rosengren	Chairperson
Göran Hermansson	Vice President of the Board
Bo Johansson	Board member
Richard Wolff	Board member
Magnus Engman	Board member

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