Isofol raises SEK 500 million in oversubscribed rights issue and exercised over-allotment option

GOTHENBURG, Sweden, June 14, 2021 - Isofol Medical AB (publ) (Nasdaq First North Premier Growth Market: ISOFOL) ("Isofol" or the "Company") fully guaranteed new share issue with preferential rights for the Company's existing shareholders (the "Rights Issue"), which ended on June 10, 2021, was oversubscribed. Due to the strong demand from strategic investors, a directed issue with deviation from the shareholders' preferential rights of approximately SEK 100 million (the "Over-Allotment Option") was exercised. Through the Rights Issue and the Over-Allotment Option, Isofol will receive proceeds amounting to approximately SEK 500 million before transaction costs.

The result of the Rights Issue of maximum 62,524,474 shares shows that 61,550,652 new shares, corresponding to approximately 98.4 percent of the Rights Issue, have been subscribed for with subscription rights. Additionally, 27,532,079 shares were subscribed for without subscription rights of which 973,822 shares, corresponding to 1.6 percent of the Rights Issue, have been allotted to investors that have subscribed for shares without subscription rights. The Rights Issue is thus oversubscribed. Allotment of shares subscribed for without subscription rights has been made in accordance with the resolved allotment principles. Notice of allotment of shares subscribed for without subscription rights will only be sent to those who have been allotted shares. Payment shall be made in accordance with the instructions on the contract note. Nominee-registered shareholders will receive notice of allotment and payment in accordance with the procedures of each nominee.

Due to the oversubscription of the Rights Issue, the Board of Directors of Isofol has exercised the Over-Allotment Option to meet additional demand from strategic investors through a directed issue of 15,625,000 new shares. The Over-Allotment Option was directed to a few reputable investors, broadening Isofol's shareholder base.

Isofol's CEO, Ulf Jungnelius, comments: "We are very happy and satisfied with the strong support that both existing and new shareholders have shown us in the rights issue that made it possible to exercise the over-allotment option. The rights issue in combination with the over-allotment Option provides Isofol with the financial resources required to complete the global Phase III AGENT study and secure funding beyond the submission of the application with the FDA."

Following the Rights Issue and Over-Allotment Option, Isofol's share capital will increase by approximately SEK 2,392,767.2 to approximately SEK 4,945,252.1 and the number of shares in Isofol will increase by 78,149,474 shares to 161,515,440 shares.

The shares subscribed for with subscription rights are expected to be registered with the Swedish Companies Registration Office (the "SCRO") on or about June 15, 2021 and are expected to begin trading on Nasdaq First North Premier Growth Market on June 18, 2021.

The shares subscribed for without subscription rights and through exercise of the Over-Allotment Option are expected to be registered with the SCRO on or about June 24, 2021 and are expected to begin trading on Nasdaq First North Premier Growth Market on June 30, 2021.

Advisors

Carnegie Investment Bank AB (publ) and Pareto Securities AB act as Joint Bookrunners in connection with the Rights Issue and the potential Over-Allotment Option. Vinge law firm acts as legal adviser to Isofol, and Schjødt law firm acts as legal adviser to the Joint Bookrunners. Ashurst LLP acts as legal adviser to the Joint Bookrunners as to US securities law.

For further information, please contact

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This is information that Isofol Medical AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 10:00 CEST on June 14, 2021.

About arfolitixorin

Arfolitixorin is Isofol's proprietary drug candidate being developed to increase the efficacy of standard of care chemotherapy for advanced colorectal cancer. The drug candidate is currently being studied in a global Phase III study, AGENT. As the key active metabolite of the widely used folate-based drugs, arfolitixorin can potentially benefit more patients with advanced colorectal cancer, as it does not require complicated metabolic activation to become effective.

About Isofol Medical AB (publ)

Isofol Medical AB (publ) is a clinical stage biotech company developing arfolitixorin to improve the efficacy of standard of care chemotherapy for advanced colorectal cancer by increasing tumor response and progression free survival. Isofol holds a worldwide exclusive license agreement with Merck KGaA, Darmstadt, Germany to develop and commercialize arfolitixorin for oncology indications. Isofol Medical AB (publ) is traded on the Nasdaq First North Premier Growth Market. Certified Adviser is FNCA Sweden AB.

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Forward-looking statements

This press release contains forward-looking statements that reflect the Company’s intentions, beliefs, or current expectations about and targets for the Company’s future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company operates. Forward-looking statements are statements that are not historical facts and may be identified by words such as “believe”, “expect”, “anticipate”, “intend”, “may”, “plan”, “estimate”, “will”, “should”, “could”, “aim” or “might”, or, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors nor does it accept any responsibility for the future accuracy of the opinions expressed in this press release or any obligation to update or revise the statements in this press release to reflect subsequent events. Undue reliance should not be placed on the forward-looking statements in this press release. The information, opinions and forward-looking statements contained in this press release speak only as at its date and are subject to change without notice. The Company does not undertake any obligation to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this press release.

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