

The information in the press release is intended for investors.

Notice convening the extraordinary general meeting in Isofol Medical AB (publ) 13 February 2023

GOTHENBURG, Sweden, January 19, 2022 – Isofol Medical AB (publ), (Nasdaq Stockholm: ISOFOL), hereby invites the shareholders of Isofol Medical AB (publ), Reg. No. 556759-8064 based in Gothenburg, to the Extraordinary General Meeting on Monday, February 13, 2022.

N.B. This is an unofficial translation of the Swedish original wording. In case of differences between the English translation and the Swedish original, the Swedish text shall prevail.

Shareholders in Isofol Medical AB (publ), Reg. No. 556759-8064, with its registered office in Gothenburg, are hereby invited to attend the extraordinary general meeting on Monday, 13 February 2023 at 3:00 p.m. at Biotech Center, Arvid Wallgrens backe 20, Fl. 5, Gothenburg. Registration starts at 2:30 p.m. and ends when the general meeting is opened.

The board of directors have, in accordance with the company's articles of association, resolved that shareholders shall be afforded the opportunity to exercise their voting rights by voluntary advance voting. Shareholders may thereby choose to exercise their voting rights at the extraordinary general meeting by attendance in person, through a proxy, or through voluntary advance voting.

NOTICE OF ATTENDANCE AND ADVANCE VOTING ETC.

Right to attend the extraordinary general meeting and notice of attendance.

Attendance in person

A Shareholder who wishes to attend the extraordinary general meeting in person shall:

- *firstly*, be recorded in the share register maintained by Euroclear Sweden AB relating to the circumstances on Friday, 3 February 2023 (for nominee-registered shares see "Nominee-registered shares" below); and
- *secondly*, not later than Tuesday, 7 February 2023, give notice of attendance attend via post to Isofol Medical AB (publ), "EGM 2023", Att. Gustaf Albèrt, Arvid Wallgrens backe 20, SE-413 46 Gothenburg, Sweden, or via e-mail to extrastamma@isofolmedical.com

The shareholders shall in their notice of attendance state name (company name), personal identification number or company registration number, shareholding, address, phone number and, as applicable, information about any advisors (maximum two), proxies or representatives. Information delivered upon notice to attend will be processed and used only for the annual general meeting. See below for further information on processing of personal data.

Shareholders who intends to be represented by proxy, shall issue a dated power of attorney for the proxy. If the power of attorney is executed by a legal person a certified copy of the certificate of registration or equivalent should be attached. The power of attorney may not be older than one (1) year, however, it may be older provided that the power of attorney according to its wording is valid for a longer period, although, not more than five (5) years from its issuance. The certificate of registration must not have been issued earlier than one year before. The power of attorney in original and, where applicable, the certificate of registration should be submitted to the company to the address set forth above well in advance of the extraordinary general meeting. A proxy form is available on the company's website www.isofolmedical.com.

Attendance through voluntary advance voting

A Shareholder who wishes to attend the extraordinary general meeting through voluntary advance voting shall:

- *firstly*, be recorded in the share register maintained by Euroclear Sweden AB relating to the circumstances on Friday, 3 February 2023 (for nominee-registered shares see "Nominee-registered shares" below); and
- *secondly*, not later than Tuesday, 7 February 2023, give notice of attendance attend via post to Isofol Medical AB (publ), "EGM 2023", Att. Gustaf Albèrt, Arvid Wallgrens backe 20, SE-413 46 Gothenburg, Sweden, or via e-mail to extrastamma@isofolmedical.com.

A shareholder who wishes to attend the extraordinary general meeting in person or represented by a proxy must give notice thereof in accordance with what is set out under "Attendance in person" above. This means that a notice of attendance by advance voting only is not sufficient for a person who wishes to attend the extraordinary general meeting in person.

A special form shall be used for advance voting. The advance voting form is available on the company's website, www.isofolmedical.com. A completed and signed form may be submitted by post to Isofol Medical AB (publ), "EGM 2023", Att. Gustaf Albèrt, Arvid Wallgrens Backe 20, SE-413 46 Gothenburg, Sweden, or by e-mail to extrastamma@isofolmedical.com. The completed form shall be received by the company not later than Tuesday 7 February 2023. The shareholder may not provide special instructions or conditions in the voting form. If so, the vote (i.e. the advance vote in its entirety) is invalid. Further instructions and conditions are included in the form for advance voting.

If a shareholder votes by proxy, a written and dated proxy shall be enclosed with the advance voting form. Proxy forms are available on the company's website, www.isofolmedical.com. If the shareholder is a legal entity, a certificate of incorporation or an equivalent certificate of authority should be enclosed. If a shareholder has voted in advance and then attends the General Meeting in person or through a proxy, the advance vote is still valid except to the extent the shareholder participates in a voting procedure at the extraordinary general meeting or otherwise withdraws its casted advance vote. If the shareholder chooses to participate in a voting at the extraordinary general meeting, the vote cast will replace the advance vote with regard to the relevant item on the agenda.

Nominee-registered shares

To be entitled to participate in the extraordinary general meeting, a shareholder whose shares are held in the name of a nominee must, in addition to providing notification of participation, register its shares in its own name so that the shareholder is recorded in the share register relating to the circumstances on Friday 3 February 2023. Such registration may be temporary

(so-called voting right registration) and is requested from the nominee in accordance with the nominee's procedures and in such time in advance as the nominee determines. Voting right registrations completed by the nominee not later than Tuesday 7 February 2023 are taken into account when preparing the register of shareholders.

PROPOSED AGENDA

1. Opening of the general meeting.
2. Election of chairperson at the general meeting.
3. Preparation and approval of the voting list.
4. Approval of the agenda.
5. Election of one or two persons to approve the minutes.
6. Determination of whether the general meeting has been duly convened.
7. Proposed resolution regarding distribution of dividend.
8. Proposed resolution regarding liquidation of the company.

Item 2 – Election of chairperson at the general meeting

It is proposed that Anders Strid is elected chairperson at the general meeting.

BACKGROUND ON THE BOARD OF DIRECTORS' PROPOSED RESOLUTIONS REGARDING DISTRIBUTION OF DIVIDEND (item 7) AND LIQUIDATION OF THE COMPANY (item 8)

Isofol was capitalized to conduct a phase III study (the AGENT study) and based on this study prepare to take arfolitixorin to market. Unfortunately, as previously reported, the AGENT study did not provide evidence that arfolitixorin was superior to leucovorin in the combination treatment of colorectal cancer. Neither the primary nor the most important secondary endpoints showed any difference and there was a clear tendency towards lower survival in the arfolitixorin group that fulfilled the FDA's definition of detrimental overall survival. Analysis of patient subgroups did not display any difference, nor could gene expression analyses demonstrate that any group responded better to arfolitixorin. These complementary studies were carried out, completed and presented during the autumn of 2022.

As the AGENT study was so decisive for the company's future, the board appointed two external expert groups to look at the data and the company's conclusions. Both groups concluded that the company's interpretation of the outcome of the study was correct and that no difference between arfolitixorin and leucovorin in a 5-FU based treatment regimen could be discerned. The external groups differed in their assessment of whether there was a way forward for arfolitixorin. One group concluded that there was no path forward for arfolitixorin within 5-FU based combination treatment of cancer, while the other group saw a need to further investigate arfolitixorin 's potential path forward.

The board has considered a number of different factors in their assessment of a possible way forward for arfolitixorin:

- For a market approval, the board assesses that a new pivotal phase III study would need to be conducted, which would need to be preceded by a phase II study to determine the dose and dosing regimen and possibly a phase Ib study to ascertain the safety of higher doses of arfolitixorin. The assessment is that these studies together would take at least 6-8 years to carry out at a cost of at least SEK 500M.
- The remaining patent term of the current main patent after 6-8 years of further clinical development as well as additional time for registration of a drug is deemed to be too short to be commercially attractive.

- Although the development of new treatment methods for cancer is slow-going, we can state that the treatment strategy for colorectal cancer has continued to develop during the years that Isofol has been active and will very likely continue to do so over the next 10-year period. This may mean that 5-FU based combination treatments with folates such as leucovorin/arfolixorin may represent a smaller portion of the market at the time of a possible launch.
- The ability to raise the additional capital needed in accordance with the assessment above may be very difficult given the results of the AGENT study, future treatment regimens and patent situation.

All in all, the board assesses the probability is low that arfolixorin in combination with 5-FU-based regimens will be commercially successful, even if the clinical development could be financed, which the board considers to be very challenging in and of itself.

Furthermore, external statistical consultants have assessed whether the AGENT study could show that arfolixorin is at least as good as leucovorin, which could possibly mean that arfolixorin could compete with generic leucovorin. External statisticians assess that the AGENT study cannot demonstrate that arfolixorin is equivalent to leucovorin. The AGENT study was not designed to show this and normally many more patients would be required. Additional arguments that make it difficult for arfolixorin to be used generically are that the synthesis of arfolixorin is more complicated than the synthesis of leucovorin and therefore would likely be more expensive to manufacture. In addition, arfolixorin has a clear tendency for lower survival in the longer term than leucovorin in the AGENT study, which risked negatively influencing a doctor's choice of arfolixorin over leucovorin.

In parallel with the completion of the study and external experts' assessment of the results, significant cost-saving measures have been carried out and the conditions investigated as to whether a structural deal could be carried out in order to possibly obtain a premium on Isofol's capital and determine if any value can be extracted from the company's stock market position, organization and possible loss deduction. The company and the board have been in contact with approximately 30 companies and had deeper discussions with six of them. The companies have been assessed with regard to, among other factors, value, risk associated with development, proximity to positive cash flow, maturity/ marketability, proposed premium on Isofol's assets, development plans and ownership profile, etc. The depth of the analyses differs between different companies. After thorough assessments and analyses the board has deemed that for now, no alternatives exist that would provide shareholders with more value compared with a capital dividend and a liquidation.

Against this background and to ensure that as much as possible of the company's remaining assets benefit the shareholders, the board has decided to propose that the extraordinary general meeting decide to distribute as large a portion of capital as possible and take a decision that the company is to be liquidated.

Assuming that the extraordinary general meeting decides in accordance with the board's proposal, the board will apply for the company's delisting from Nasdaq Stockholm.

Item 7 – Proposed resolution regarding distribution of dividend

The board of directors proposes, in relation to the abovementioned background, that dividend is distributed with SEK 0.7553 per share, SEK 122,000,000 in total.

The record day for the distribution of dividend shall be 15 February 2023.

Should the extraordinary general meeting resolve in accordance with the board of directors' proposal, distribution of dividend is expected to be effected by Euroclear Sweden AB on 20 February 2023.

According to the annual report for the financial year 2021, the company's non-restricted equity (unappropriated earnings and non-restricted reserves) amounted to SEK 313,352,021. The annual general meeting held on 219 May 2022 resolved not to distribute any dividend to the shareholders, hence SEK 313,352,021 remains of the disposable balance according to Chapter 17, Section 3, 1 Paragraph of the Swedish Companies Act.

The board of directors further proposes that the company's managing director shall be entitled to make such adjustments or amendments to the abovementioned resolutions that may prove necessary in connection with registering the resolutions with the Swedish Companies Registration Office or Euroclear Sweden AB.

Item 8 – Proposed resolution regarding liquidation of the company

The board of directors proposes, in relation to the abovementioned background, that the extraordinary general meeting resolves that the company shall enter into voluntary liquidation in accordance with Chapter 25, Section 3 of the Swedish Companies Act.

The resolution regarding voluntary liquidation shall enter into force on the day of resolution by the extraordinary general meeting.

Estimated time for final distribution of assets is Q1 2024.

With current circumstances taken into account, the estimated size of the distribution proceeds may amount to approximately SEK 0.0495 per share, before deduction of liquidation costs.

Anders Strid, lawyer at Advokatfirman Vinge KB, is proposed as liquidator. Anders Strid has declared his willingness to accept the assignment as liquidator.

MISCELLANEOUS

Number of shares and votes

The number of shares and votes in the company amounts to 161,515,440 per the day for the issuance of this convening notice. The company does not hold any treasury shares.

Documents

Below documents will, not later than two weeks prior to the extraordinary general meeting, be kept available at the company's premises at Biotech Center, Arvid Wallgrens Backe 20, 5th floor, Gothenburg, and at the company's website www.isofolmedical.com. The documents will be sent to those shareholders who so request and state their postal address or e-mail address, free of charge.

- A copy of the company's adopted annual report and auditor's report for the financial year 2021
- The board of directors' complete proposal in accordance with Chapter 18, Section 3 of the Swedish Companies Act
- The board of directors' reasoned statement in accordance with Chapter 18, Section 4 of the Swedish Companies Act
- The board of directors' report regarding significant events in accordance with Chapter 18, Section 6 of the Swedish Companies Act

- The auditor's statement regarding the board of directors' report in accordance with Chapter 18, Section 6 of the Swedish Companies Act

The board of directors' proposals under the respective items are fully formulated in this convening notice.

Information at and before the extraordinary general meeting

The board of directors and the managing director shall, if requested by a shareholder, and if the board of directors believe it can be done without material harm to the company, at the extraordinary general meeting provide information regarding circumstances that may affect the assessment of a matter on the agenda and the company's or subsidiaries financial situation or the company's relation to other group companies. Shareholders wishing to submit questions in advance, may do so by post to Isofol Medical AB (publ), "EGM 2023", Att. Gustaf Albèrt, Arvid Wallgrens backe 20, SE-413 46 Gothenburg, Sweden, or by e-mail to extrastamma@isofolmedical.com no later than February 7.

Processing of personal data

For information about how your personal data is processed, it is referred to the privacy notice available at Euroclear Sweden AB's webpage:

<https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>.

Gothenburg in January 2023

Isofol Medical AB (publ)

The board of directors

For further information, please contact

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The information was submitted for publication, through the agency of the contact person set out above, at 16:00 CET on January 19, 2023.

About Isofol Medical AB (publ)

Isofol Medical AB (publ) is a clinical-stage biotechnology company that has focused its operations on developing and improving the current standard treatment for patients suffering from cancer by increasing treatment efficacy through the use of cytostatics. Isofol's ambition was to develop a drug for first-line treatment of advanced colorectal cancer (mCRC), thereby seeking to improve the current clinical practice by realizing the full strength of 5-FU with the addition of arfolitixorin. Isofol has an exclusive global licensing agreement with Merck & Cie in Schaffhausen, Switzerland, to develop and commercialize arfolitixorin in oncology. Isofol Medical AB (publ) is traded on Nasdaq Stockholm.

www.isofolmedical.com