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Press release May 5, 2017

Pareto Securities has notified Isofol Medical AB (publ) (“Isofol” or the “Company”) that stabilisation measures regarding the Company’s shares have been taken

In connection with the offering to acquire newly issued shares in Isofol and the listing on Nasdaq First North Premier (the “Offering”), Pareto Securities, in its capacity as stabilisation manager, may carry out transactions aimed at supporting the market price of the Company’s shares at a level higher than what might otherwise have prevailed in the market. Such stabilization transactions may be effected on any securities market, over-the-counter (OTC) market or otherwise, at any time during the period starting on the date of commencement of trading in the Company’s shares on Nasdaq First North Premier and ending 30 calendar days thereafter. However, Pareto Securities has no obligation to undertake any stabilization. Stabilization, may be discontinued at any time and without prior notice.

Pareto Securities has announced that stabilisation measures have been taken (in accordance with Article 3.2(d) of the EU Market Abuse Regulation) on Nasdaq First North Premier in accordance with what is set out below.

Stabilisation information

Issuer:	Isofol Medical AB (publ)
Security:	Shares (SE0009581051)
Offering size (shares):	14,828,000
Over-allotment option (shares):	1,482,800
Offering price (SEK):	29.00
Ticker:	ISOFOL
Stabilisation manager:	Pareto Securities

Stabilisation transactions

Date	Quantity (# shares)	Price (high)	Price (low)	Price (average)	Currency	Market place
2017-04-26	5,800	23.6	23.0	23.3	SEK	Nasdaq First North Premier
2017-04-27	8,574	24.5	23.5	24.5	SEK	Nasdaq First North Premier

Pareto Securities has conducted stabilization transactions comprising 1,482,800 shares as per 2017-04-27, including the previously announced stabilisation transactions. The stabilisation period has thus been terminated and no further stabilisation transactions will be conducted.

Furthermore, Pareto Securities will not use the Over-allotment Option described below. Thus, Isofol will not issue any further shares in connection with the Offering and no further proceeds will be transferred to the Company. The total number of outstanding shares after the Offering amounts to 31,604,500.

Over-allotment Option

In order to cover any over-allotment in connection with the Offering the Company has, at the request of Pareto Securities, undertaken to issue a maximum of 1,482,800 additional newly issued shares, corresponding to a maximum of 10 percent of the number of shares in the Offering. The Over-allotment Option can be fully or partly exercised within 30 calendar days from the first day of trading of the Company’s shares.

For additional information, please contact:

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About Isofol Medical AB (publ)

Isofol is a clinical stage oncology company developing Modufolin® as a first-line treatment of metastatic colorectal cancer and as a rescue drug after high-dose methotrexate treatment in osteosarcoma. Isofol aims to replace the existing folate-based compounds leucovorin and levoleucovorin, which today are considered the standard treatment within these indications. Through an exclusive license agreement, Isofol Medical holds all rights to commercialising Modufolin® globally for cancer treatment with access to the unique patented production process and the production capabilities of Merck KGaA, Darmstadt, Germany.

About Modufolin®

Modufolin® (active ingredient [6R]-5,10-methylenetetrahydrofolate), is a novel folate-based compound developed to increase the efficacy and reduce the side effects of antimetabolites used in cancer treatment. It is the key active metabolite of the widely used folate-based drugs leucovorin and levoleucovorin, and therefore does not require metabolic activation. This makes Modufolin® suitable for all patients irrespective of their genetical capacity to activate folates, and it is currently being evaluated in two clinical Phase II studies.

Third most common cancer

Colorectal cancer is the third most common cancer, affecting both men and women, and is the third leading cause of cancer-related death. Approximately 1.35 million people per year are diagnosed with the disease worldwide. In the US, Western Europe and Japan, where an estimated 550,000 patients are diagnosed with colorectal cancer, about 365,000 patients annually receive a treatment regimen including 5-FU and the folate leucovorin or levoleucovorin, which Isofol is aiming to replace with Modufolin®.

Important information

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Matters discussed in this announcement may constitute forward-looking statements. Forward-looking statements are statements that are not historical facts and may be identified by words such as “believe,” “expect,” “anticipate,” “intends,” “estimate,” “will,” “may,” “continue,” “should” and similar expressions. The forward-looking statements in this release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and are beyond its control. 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 information, opinions and forward-looking statements contained in this announcement speak only as at its date, and are subject to change without notice.