Isofol Medical

Learn from the first, deliver on the second

- Targeting a huge unmet medical need
- Revised best-in-class potential
- Fair value range of SEK 0.1-10.5/share

Huge unmet medical need

Isofol is developing *arfolitixorin*, a next-generation active *folate* designed to enhance standard chemotherapy built around *5-FU (fluorouracil)*, a widely used backbone treatment in *metastatic colorectal cancer (mCRC)* expected to remain for the foreseeable future. CRC is the third most-common cancer globally, of which ~20-25% of patients present with metastatic CRC and 5-year survival <15%.

A clear value proposition

Although the Ph 3 *AGENT* trial failed in 2022, post-hoc analyses and an extensive review identified clear, addressable shortcomings in dosing, timing and protocol adherence. With a revised clinical strategy, a well-defined mechanistic rationale and sharpened organisational focus, we see renewed potential for arfolitixorin to replace *leucovorin*, the current suboptimal standard of care folate. Unlike leucovorin, which is a pro-drug requiring metabolic activation, arfolitixorin delivers the active folate directly, enabling more predictable and potentially stronger 5-FU enhancement. The ongoing Ph 1b/2 trial addresses prior shortcomings through higher dosing, correct timing and tighter protocol control, supported by renewed management and partner backing. If successful, we expect a late-2032e launch and ~50% peak penetration, supporting peak sales (ABGSCe) of ~SEK 7.7bn (non-risked) and ~SEK 1.5bn (risk-adj.).

Fair value range of SEK 0.1-10.5/share

We value Isofol using a risk-adj. DCF (12% WACC, 0% terminal growth rate), including future dilution. Scenario A assumes clinical failure (LOA 0%) and yields SEK 0.1/share; scenario B reflects a risk-weighted outcome (LOA 20%), with a value of SEK 1.6/share, while scenario C assumes full clinical and commercial success in first-line mCRC (LOA 100%) with a value of SEK 10.5/share. This implies a fair value range of SEK 0.1-10.5/share.

Reason: Initiating coverage

Commissioned research

Not rated

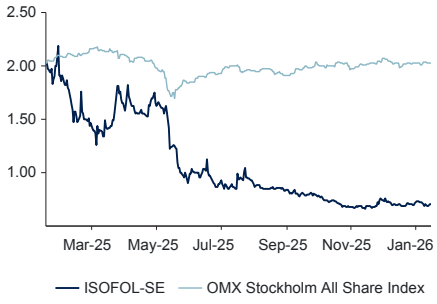
Healthcare

ISOFOL-SE/ISOFOL SS

Share price (SEK)	14/1/2026	0.70
Fair value range		0.1-10.5
MCap (SEKm)		196
MCap (EURm)		18
No. of shares (m)		281.1

Next event Q4 Report 18 February 2026

Performance



Analyst: georg.tigalonov-bjerke@abgsc.no, +47 22 01 60 84

SEKm	2023	2024	2025e	2026e	2027e
Sales	0	0	0	0	66
EBITDA	-42	-47	-59	-69	-14
EBITDA margin (%)	--	--	--	--	-21.7
EBIT adj.	-42	-47	-59	-69	-14
EBIT adj. margin (%)	--	--	--	--	-21.7
Pretax profit	-37	-43	-57	-67	-13
EPS	-0.23	-0.27	-0.26	-0.20	-0.04
EPS adj.	-0.23	-0.27	-0.26	-0.20	-0.04
Sales growth (%)	--	--	--	--	--
EPS growth (%)	-76.8	17.3	-4.2	-21.8	-81.9

Source: ABG Sundal Collier, Company Data

	2025e	2026e	2027e
P/E (x)	nm	nm	nm
P/E adj. (x)	nm	nm	nm
P/BVPS (x)	1.47	2.76	3.58
EV/EBITDA (x)	-1.9	-2.4	-11.3
EV/EBIT adj. (x)	-1.9	-2.4	-11.3
EV/sales (x)	--	--	2.46
ROE adj. (%)	-62.4	-70.9	-17.2
Dividend yield (%)	0.0	0.0	0.0
FCF yield (%)	-36.5	-29.0	-5.3
Le. adj. FCF yld. (%)	-36.5	-29.0	-5.3
Net IB debt/EBITDA (x)	0.7	0.9	6.1
Le. adj. ND/EBITDA (x)	0.7	0.9	6.1

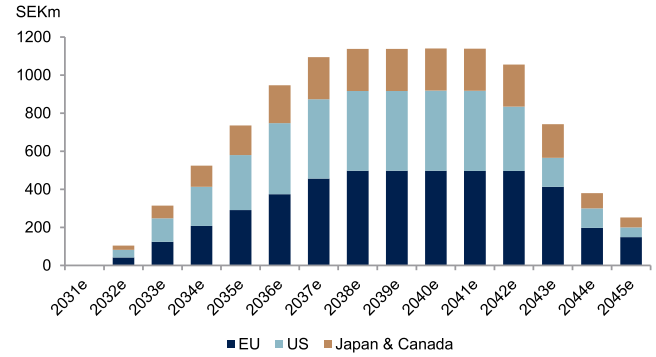
Company description

Isofol Medical AB is a Swedish biotech company with six FTEs listed on Nasdaq Stockholm, developing arfolitixorin, an active folate designed to enhance the efficacy of standard 5-FU chemotherapy in metastatic colorectal cancer. The company aims to replace leucovorin, an inactive folate, with arfolitixorin, which Isofol believes may improve the tumour-killing effect of 5-FU by delivering the active metabolite directly.

Risks

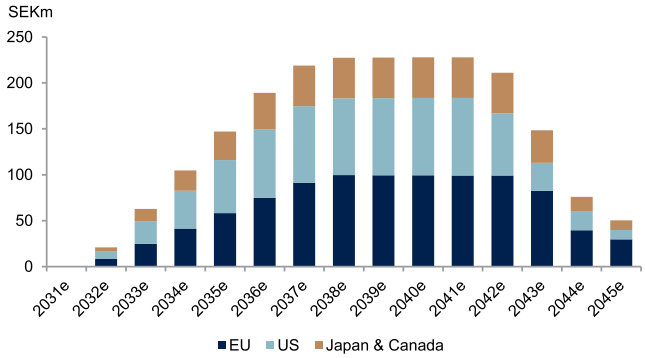
Isofol faces development and regulatory risks in particular, as the success of arfolitixorin is entirely dependent on future clinical data. Furthermore, securing and sustaining partners poses a risk, as well as achieving a successful commercialisation of the drug.

Non-risked royalties



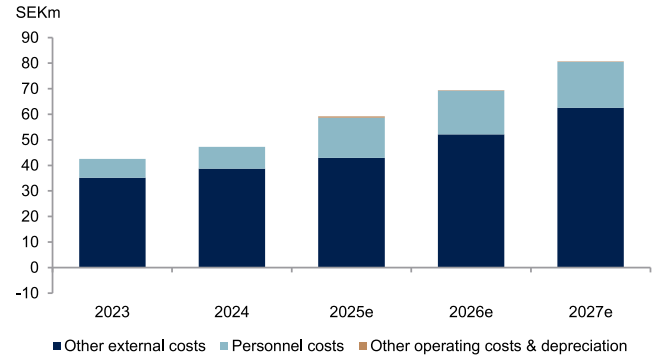
Source: ABG Sundal Collier, Company data

Risk-adj. royalties



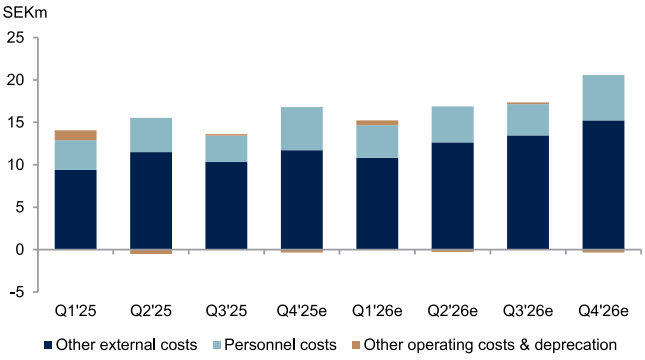
Source: ABG Sundal Collier, Company data

Non-risked annual OPEX



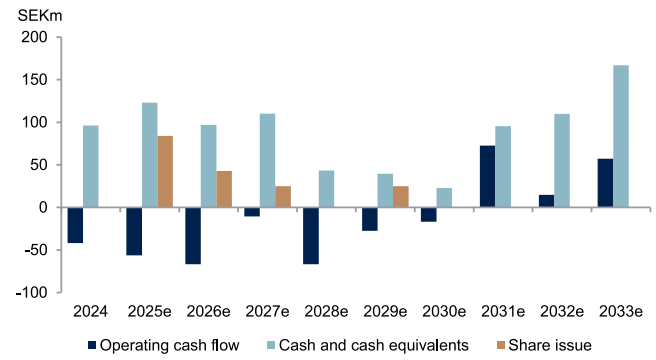
Source: ABG Sundal Collier, Company data

Non-risked quarterly OPEX



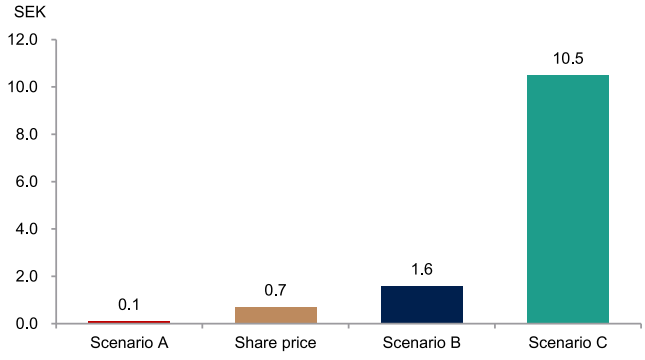
Source: ABG Sundal Collier, Company data

Risk-adj. operating cash flow and cash position



Source: ABG Sundal Collier, Company data

Valuation range



Source: ABG Sundal Collier, Company data

Contents

Summary

Learning from the first, delivering on the remake

Isofol Medical is a Swedish biotechnology company developing arfolitixorin, a next-generation active folate designed to enhance the efficacy of standard-of-care 5-FU (fluorouracil) chemotherapy in metastatic colorectal cancer (mCRC). Although the previous pivotal Ph 3 AGENT trial failed to meet its primary endpoint in 2022, post-hoc analyses and an extensive in-depth review of the trial execution identified clear, addressable shortcomings related to dosing, timing and protocol adherence. With a revised clinical strategy, a well-defined mechanistic rationale, and renewed organisational focus, we see re-emerged potential for arfolitixorin to become a superior way to enhance standard 5-FU-based chemotherapy in a large and underserved market.

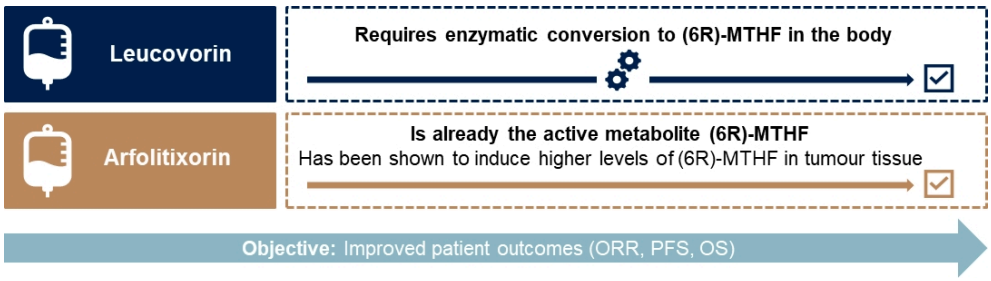
A large market with persistent unmet medical need

Colorectal cancer is the third most-common cancer globally, with approximately two million new annual cases, and the second leading cause of cancer-related mortality. 20-25% of patients are diagnosed with metastatic disease, a population that accounts for the majority of treatment-related healthcare spending in colorectal cancer. Despite five-year survival rates below 15% in the metastatic setting, due to the limited amount of innovation, 5-FU-based chemotherapy combined with a folate modulator is expected to remain the first-line treatment in metastatic colorectal cancer (mCRC) for the foreseeable future.

Arfolitixorin: a mechanistically differentiated active folate

Arfolitixorin is the first and only direct-acting folate-based compound being developed for use with 5-FU chemotherapy. Unlike leucovorin, the folate used today, which must first be converted inside the body to become active, arfolitixorin delivers the active form directly. This is believed to enable a faster and more predictable enhancement of 5-FU's cancer-killing effect by more effectively blocking DNA synthesis in tumour cells. Preclinical and early clinical data show that arfolitixorin achieves higher and more consistent levels of active folate in tumours compared with leucovorin at comparable doses. Importantly, while it is widely accepted that increasing the dose of leucovorin beyond standard levels does not improve efficacy, arfolitixorin has shown a clear dose-response relationship in preclinical models, with higher doses translating into greater biological activity. This suggests that efficacy may be further optimised through improved dosing and underpins Isofol's view that arfolitixorin may offer stronger and more reliable enhancement of standard 5-FU chemotherapy.

The benefits of arfolitixorin



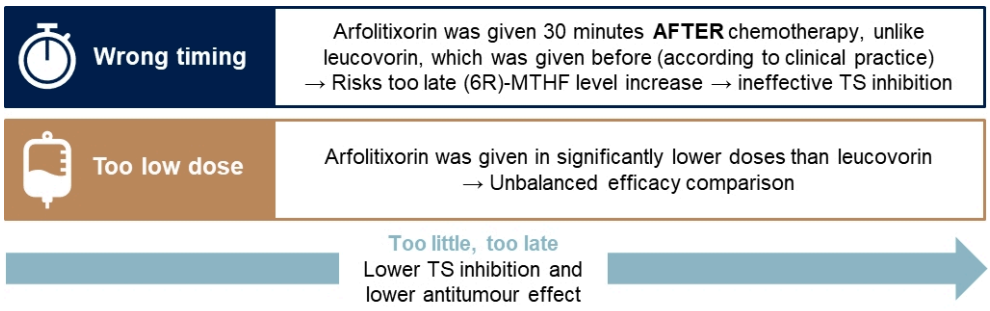
Source: ABG Sundal Collier, Company data

Lessons from the past – too little, too late

Although the Phase 3 AGENT trial failed to meet its primary endpoint, subsequent analyses revealed several key issues: (i) arfolitixorin was administered at a lower dose than leucovorin; (ii) unlike leucovorin, which was administered before 5-FU in line with standard practice, arfolitixorin was administered after 5-FU, despite folate modulation generally being most effective when present prior to 5-FU, likely blunting its time-dependent potentiating effect; and (iii) significant protocol deviations were observed, including a tendency toward reduced chemotherapy dosing among arfolitixorin patients at several sites. Per-protocol post-hoc analyses suggest that when dosing and timing were appropriate, arfolitixorin was associated with improved efficacy signals. Based on this, Isofol's revised management

team concluded that the AGENT outcome was more reflective of trial design and execution flaws than a lack of therapeutic potential. This conclusion has formed the basis for a comprehensive reset of the clinical development strategy.

The Phase 3 AGENT trial had a suboptimal design



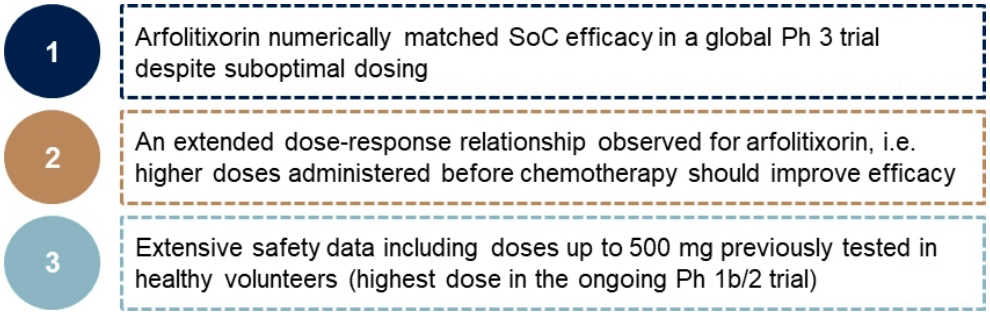
Source: ABG Sundal Collier, Company data

The remake: revised clinical strategy with improved odds

Isofol has initiated a new Ph 1b/2 trial, of which part 2 is planned to be randomised with ~80 patients, specifically designed to address the shortcomings of AGENT. Key changes include higher and better-justified arfolitixorin dosing, administration prior to 5-FU to maximise biological synergy, and tighter protocol control to ensure balanced chemotherapy exposure across treatment arms.

In parallel, Isofol has undergone a significant organisational renewal, with a new board and management team appointed in 2024. This has been accompanied by a more disciplined, stepwise development approach and strengthened external support, most notably from Japanese partner Solasia Pharma, which has committed substantial funding to future development in Japan. Together, these factors de-risk execution relative to past efforts.

Remake rationale



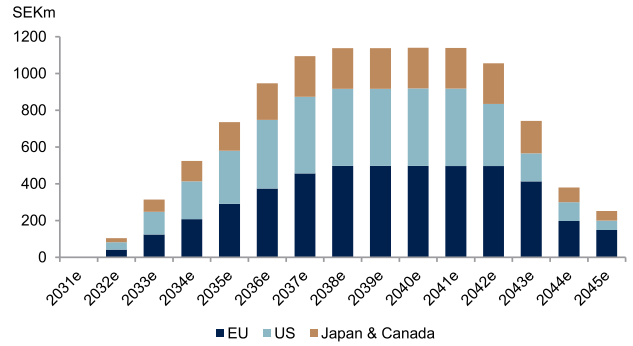
Source: ABG Sundal Collier, Company data

Attractive positioning within a large commercial opportunity

As 5-FU plus folate is expected to remain the backbone of first-line mCRC treatment for the foreseeable future, arfolitixorin benefits from a well-defined clinical positioning, minimal disruption to treatment paradigms and a large addressable patient population, as it tries to replace leucovorin as the standard of care potentiator of 5-FU. The poor prognosis further highlights the persistent high unmet medical need. Although arfolitixorin may also hold longer-term optionality in earlier-stage colorectal cancer and potentially other 5-FU-treated cancer types such as pancreatic, gastric, breast and head and neck cancer, we have not included this in our valuation.

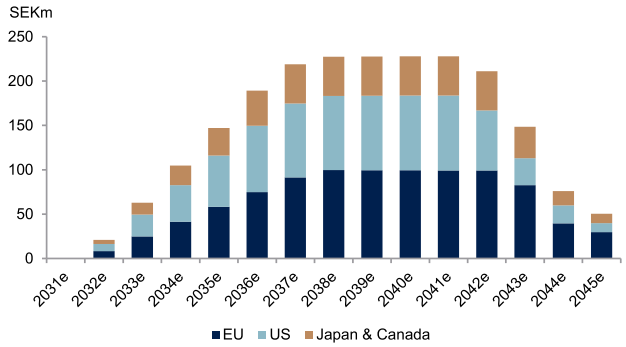
If arfolitixorin can prove statistically and clinically meaningful efficacy, we expect it to reach the market in late 2032e, and reach a peak penetration of ~50% across the US, EU, Japan and Canada in 2038e-2042e. On this basis, we estimate non-risked and risk-adjusted peak sales of ~SEK 7.7bn and ~SEK 1.5bn, respectively through a Ph 3-financing partner, for which we have modelled that Isofol would receive 15% in royalties.

Non-risked royalties



Source: ABG Sundal Collier, Company data

Risk-adj. royalties



Source: ABG Sundal Collier, Company data

Fair value range of SEK 0.1-10.5/share

Given the absence of near-term revenues, except for potential partner deal upfronts and milestones, we value Isofol using a standard risk-adjusted DCF with a 12% WACC and 0% terminal growth rate. We also include future share dilutions, for which the share price in the assumed equity raises of SEK 25m in 2028e and 2030e are adjusted according to the current Ph 1b/ 2 trial outcome. If successful, we assume that a partner deal for the US and EU will be struck in 2028e. Based on this, we model three different DCF scenarios:

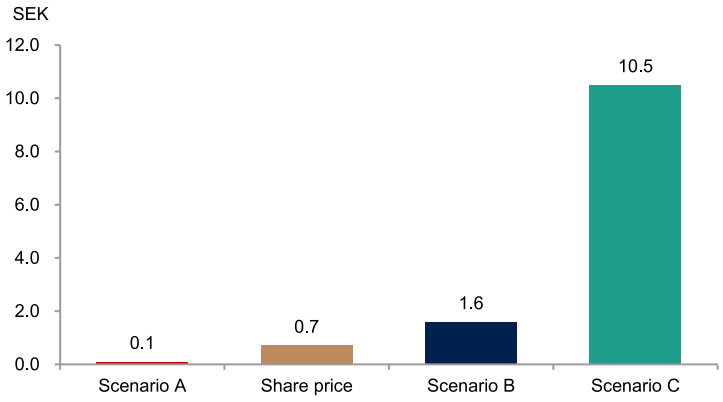
• **Scenario A (LOA of 0%)** assumes failure of the ongoing clinical programme and yields a value of **SEK 0.1/share**.

• **Scenario B (LOA of 20%)** reflects a risk-weighted scenario, yielding a value of **SEK 1.6/ share**.

• **Scenario C (LOA of 100%)** assumes full clinical and commercial success within first-line metastatic colorectal cancer treatment, and yields a value of **SEK 10.5/share**.

Taken together, this yields our fair value range of SEK 0.1-10.5 per share for Isofol Medical.

Valuation range



Source: ABG Sundal Collier, Company data

Company background

Early days

Isofol Medical AB traces its roots back to Professor Bengt Gustafsson's collaboration with scientists at the University of California. In 1978, they discovered that adding leucovorin, a folate-based treatment, significantly increased the tumour-killing effect of *5-FU* (fluorouracil), a cornerstone chemotherapy for colorectal cancer. This discovery laid the foundation for the now standard 5-FU/leucovorin combination as the backbone in colorectal cancer chemotherapy. Because leucovorin is a functionally inactive precursor, it must be metabolised inside the cells in order to be converted into the active folate that enhances the anti-tumour effect of 5-FU. This metabolic step can differ significantly between patients due to genetic variances and physiological factors, leading to variability in treatment efficacy. Professor Gustafsson hypothesised that therapeutic outcomes could be further improved if it was possible to bypass this variability and administer the functionally active metabolite directly, i.e. (6R)-MTHF (arfolitixorin). To explore this concept, he turned to Merck & Cie, world leaders in developing folate-based drugs, and after a decade they were able to define a process for manufacturing the active metabolite. Then, in 2008, Isofol Medical was co-founded with Yield Life Sciences to finance clinical testing and potential commercialisation of the drug candidate that would later become arfolitixorin.

Isofol volume 1

Isofol began exploratory clinical trials for arfolitixorin in 2011, and in 2017 it received FDA approval to begin clinical testing in the US. Simultaneously, Isofol was listed on Nasdaq First North, providing capital for its trials. A Ph 1/2 trial in 2018 defined the clinical dose, while the Ph 3 AGENT trial was launched across the US and Europe in 2018. Regulators in Japan and Australia approved the protocol in 2020. Additional funding for the trial came from a 2020 rights issue, further supported by licencing deals with Solasia Pharma (Japan) and Paladin Labs (Canada). In 2021, a planned futility analysis by the independent data monitoring committee (IDMC) recommended continuing the AGENT trial. Subsequently, Isofol raised further capital, transferred its share listing to Nasdaq Stockholm and obtained FDA Fast Track designation. In August 2022, the big news hit: the AGENT trial had failed to demonstrate superiority for arfolitixorin and the trial was discontinued.

Isofol volume 2

After the Ph 3 AGENT trial failed, Isofol faced a decisive turning point. The board considered a voluntary liquidation, but the proposal was voted down at an extraordinary general meeting, leading to the resignation of the board and paving the way for a broad renewal of the company’s governance. Instead of abandoning the project, a stepwise and cost-effective strategy to continue the development of arfolitixorin was initiated with the goal of identifying new clinical and strategic pathways to the market. The most profound transformation took place in 2024, when a new board was elected, chaired by Jan-Eric Österlund, and a new management team was appointed, including Petter Segelman Lindqvist as CEO, Margareta Hagman as CFO, and the return of Roger Tell as CMO.

The new leadership concluded that the Ph 3 trial’s shortcomings were likely not caused a lack of arfolitixorin effect, but rather due to poor trial design and execution, weakening the data quality and making it difficult to demonstrate a treatment benefit: i) The selected dose of arfolitixorin was lower than for leucovorin; ii) Arfolitixorin was administered too late in relation to 5-FU, which reduced its capability to assert its time-dependent potentiating effects on 5-FU, iii) Overall large protocol deviations at several trial sites, including a tendency of less chemotherapy (5-FU) for the arfolitixorin patients than the leucovorin-controls. The current Ph 1b/2 trial, which was initiated in April 2025 at the Charité - Universitätsmedizin Berlin, has been structured to address these shortcomings. We elaborate on the overall scientific rationale, past flaws and future fixes from p. 14. The renewed efforts have been supported by Isofol's Japanese partner, Solasia Pharma, which has announced its intention to invest ~SEK 140m in upcoming Ph 2 and 3 trials in Japan, paving the way for patient enrolment in Japan from 2026. The patent portfolio has also been strengthened.

Isofol's timeline

2008	Company founded by Professor Bengt Gustafsson and Yield Life Science
2011	Start of clinical studies
2013	License agreement signed with Merck, manufacturing partnership with Recipharm initiated
2016	Regulatory guidance received from FDA and EMA
2017	FDA approves IND application, Isofol lists on Nasdaq First North Premier Growth Market
2018	Dose established at 2x60 mg/m² given after 5-FU bolus for further development, global Phase 3 trial (AGENT) with arfolitixorin launched in US and Europe
2019	AGENT trial protocol approved by PMDA (Japan) and TGA (Australia)
2020	New share issue, 330 patients enrolled, AGENT trial fully recruited with 440 patients, license agreements signed with Solasia (Japan) and Paladin (Canada)
2021	IDSMB recommends AGENT trial be completed with 440 patients, recruitment in Japan completed, share issue and listening on Nasdaq Stockholm, fast Track Designation granted
2022	Top-line results from AGENT trial announced: arfolitixorin did not meet primary or key secondary endpoints
2023	Final AGENT trial analysis completed, new potential indication explored in colorectal cancer and pancreatic cancer preclinical models
2024	New board and CEO appointed. Renewed strategy and development plan launched following new studies and analyses. Development collaboration with Charité University Hospital in Berlin initiated. Partner Solasia Pharma increases its commitment to arfolitixorin development and prepares for new trial in Japan
2025	German regulator BfArM approves start of new Phase 1/2 trial with arfolitixorin in Germany, the FDA approves of the general clinical development plan at a pre-IND-meeting

Source: ABG Sundal Collier, Company data

High unmet medical need

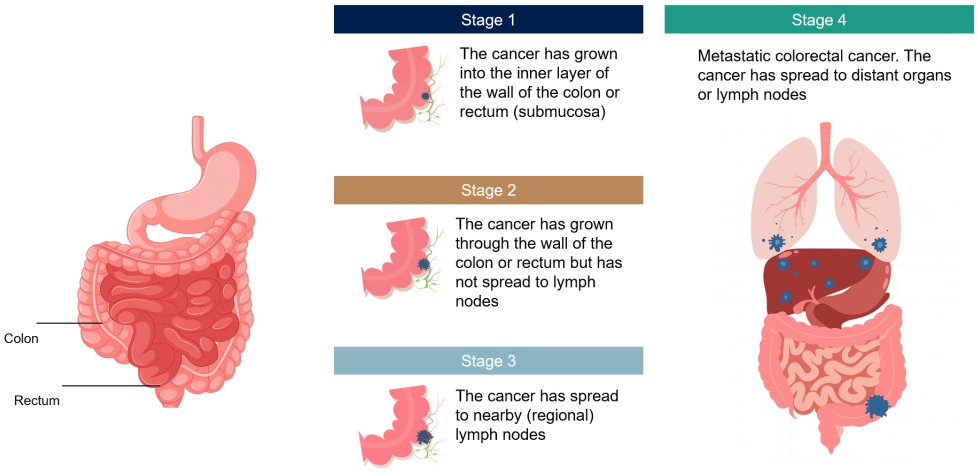
Colorectal cancer is the third most common cancer and second leading cause of death, and particularly metastatic colorectal cancer represents a major unmet medical need. The backbone of first-line treatment is the chemotherapy drug 5-FU (fluorouracil) combined with folinic acid (inactive folate variant), for which leucovorin is the standard choice. However, response rates vary significantly between patients and overall remain limited, as demonstrated by the five-year survival rate for metastatic disease of below 15%. Isofol's arfolitixorin is a novel active folate intended to address these shortcomings by providing more consistent enhancement of 5-FU across a broader patient population.

Overview of colorectal cancer

Classification

Colorectal cancer develops in the colon or rectum, both of which are parts of the large intestine. The cancer arises from the inner lining of the intestine, where cells that normally form the glandular tissue begin to grow and divide in an uncontrolled manner. This abnormal growth starts as polyps, which are small tissue outgrowths. While most polyps remain benign, certain types can gradually progress to malignancy if the abnormal cellular division persists. As the tumour expands, it can grow through deeper layers of the intestinal wall (stage 1-2), spread to nearby lymph nodes (stage 3) and eventually allow cancer cells to disseminate via the bloodstream or lymphatic system to the rest of the body (stage 4). Stage 4 is equivalent to metastatic colorectal cancer (mCRC), which is the population that Isofol targets. The liver, lungs and bones are the most common sites of distant metastases.

Colorectal cancer stages



Source: ABG Sundal Collier, Nexus Surgical

Patient demographics

Colon cancer affects men and women equally, while rectal cancer is somewhat more frequent among men. The disease primarily affects older individuals, with the majority of cases occurring after the age of 70. However, incidence among younger adults (ages 25-49) is rising. Apart from age, the risk of colorectal cancer is influenced by genetics and lifestyle factors, such as a diet high in red or processed meat and low in fruits and vegetables, physical inactivity, obesity, smoking, and excessive alcohol consumption.

Risk factors for colorectal cancer

Age	• Risk increases significantly with age • Most cases occur after age 50
Family history	• Close relative with colorectal cancer • Hereditary syndromes (e.g. Lynch syndrome, familial adenomatous polyposis)
Lifestyle factors	• Diet high in red or processed meat and low in fruit and vegetables • Physical inactivity • Obesity • Smoking and excessive alcohol consumption

Source: ABG Sundal Collier, World Health Organisation

Prognosis – very poor for metastatic disease

Despite medical advances, mortality rates remain very high in the metastatic stage. The median progression free survival (mPFS) and overall survival (mOS) following 1L therapy in mCRC MSS patients is ~9 months and ~15 months, respectively, with five-year survival rates <15%. When colorectal cancer is detected at an early stage, survival prospects are significantly better.

Occurrence – very high

Globally, colorectal cancer is the third most common cancer and the second leading cause of cancer related death, according to the World Health Organization. In 2022, more than 1.9m new cases of colorectal cancer were diagnosed worldwide, and nearly 0.9m patients died from the disease, according to the American Cancer Society. The World Health Organization estimates that by 2040, the number of colorectal cancer cases will reach 3.2m new diagnoses annually and 1.6m deaths per year, representing increases of 63% and 73%, respectively.

Overview – occurence and prognosis

1,900,000	900,000	86%
People are affected annually 3rd most common cancer form	People die annually 2nd most common cancer-related cause of death	Of patients with metastases have died within five years

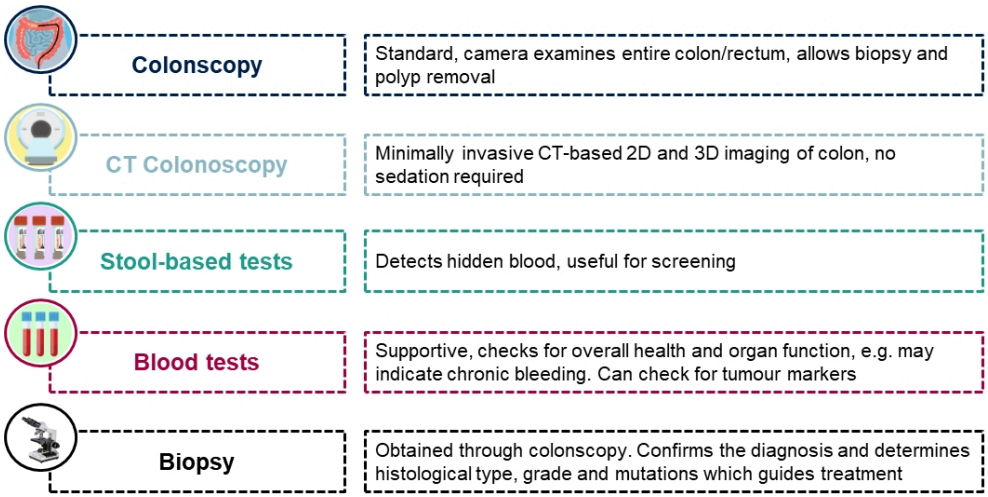
Source: ABG Sundal Collier, World Health Organisation, American Society of Clinical Oncology, Company data

Diagnosis

The diagnosis of colorectal cancer involves a combination of endoscopic examinations, imaging techniques, laboratory tests and molecular analyses, summarised in the chart below. Colonoscopy remains the gold standard, as it allows direct visualisation of the colon and rectum, removal of polyps as well as taking a biopsy, which is crucial to confirm the diagnosis and determine histological type, grade and mutations to guide treatment. CT colonoscopy is a practical, but non-invasive inferior alternative, which uses a CT scanner to create detailed 2D and 3D images of the colon and rectum to screen for polyps and cancer.

Non-invasive tests, including stool-based analyses, are primarily used in screening to detect hidden blood that may indicate cancer. Blood tests do not confirm colorectal cancer on their own, but provide important information on a patient's overall health and organ function, as well allowing for testing of tumour makers such as CEA and CA 19-9. Once a tumour is detected, cell and tissue studies, as well as tumour marker tests, are used to investigate genetic mutations, identify biomarkers, and monitor treatment response.

Diagnosis of colorectal cancer



Source: ABG Sundal Collier, Adapted from Norgen Biotek

Market size

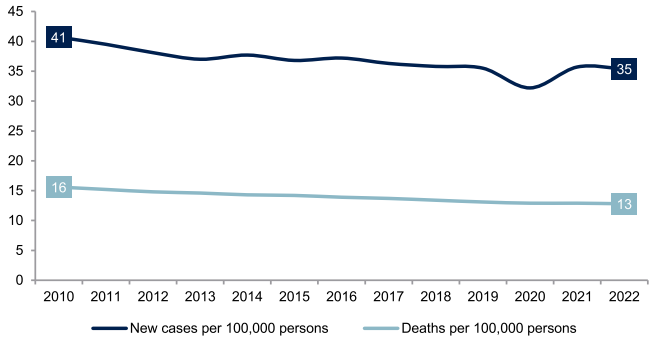
Colorectal cancer is a large, expanding market, with ~2 million new annual cases globally. The metastatic segment, which represents ~23% of newly diagnosed cases, is forecast to capture nearly 70% of colorectal cancer therapeutics market value by 2035. First-line therapy is highly reliant on 5-FU combined with folinic acid (inactive folate variant), which together with the vast patient population, makes it Isofol's no. 1 priority. With arfolitixorin positioned as a next-generation active folate to enhance efficacy of 5-FU in metastatic cancer, and with further potential for use in earlier stage neoadjuvant (before surgery) and adjuvant (after surgery), arfolitixorin targets a multibillion USD market with substantial unmet medical need.

Incidence

As mentioned, colorectal cancer is the third most common cancer with ~2 million new cases every year, and the second-deadliest cancer with ~900,000 annual deaths worldwide. More so, among the patients with metastases, more than 85% will have died within five years.

In the US, the National Cancer Institute reported that the annual incidence rate of CRC declined slightly, from 40 new cases per 100,000 in 2010 to 35 in 2022, while mortality rates slightly declined from 16 to 13 per 100,000 in the same period. The National Cancer Institute projects the incidence will remain relatively stable in the US and EU.

Historical colorectal cancer patient growth and death rate, US

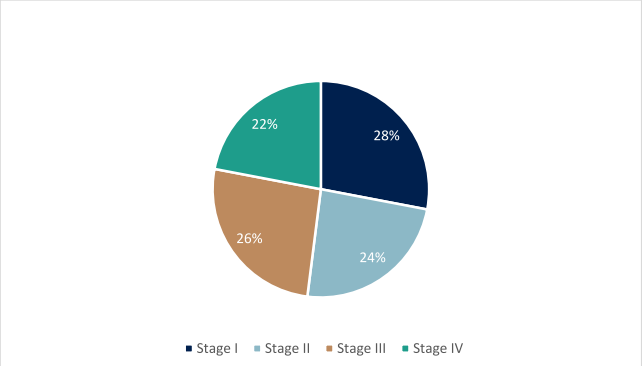


Source: ABG Sundal Collier, National Cancer Institute

Isofol's core market lies in metastatic colorectal cancer (stage 4), for which there are no curative options and the goals of chemotherapy are to relieve symptoms, improve quality of life and prolong patient survival. As such, the medical need is particularly high, and 5-FU chemotherapy combined with a folate variant is the backbone of standard of care.

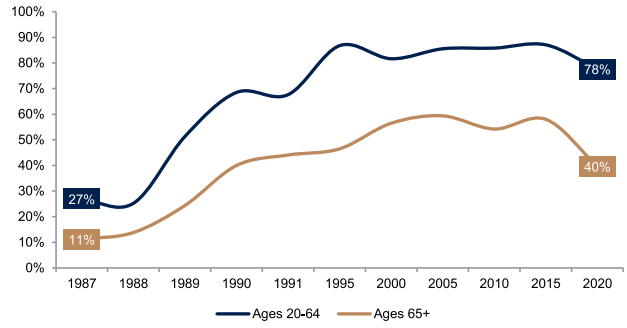
Simultaneously, the large proportion of patients treated with chemotherapy in stage 2 (local spread) and 3 (regional spread) add to the even larger overall opportunity for arfolitixorin.

Stage distribution colorectal cancer diagnoses



Source: Back Bae Life Science Advisors

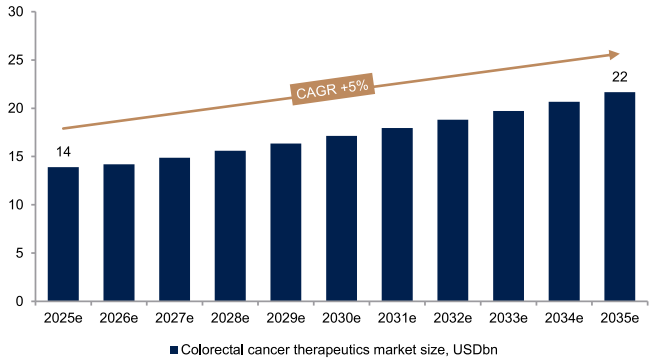
Share of stage 2 colon and stage 2 & 3 rectal patients who received chemotherapy, US



Source: ABG Sundal Collier, National Cancer Institute

According to Research Nester (Research Nester, 2025), the global overall colorectal cancer therapeutics market was valued at USD 14bn in 2025 and it estimates it will reach USD 22bn by 2035, corresponding to a CAGR of 5%.

The colorectal cancer therapeutics market is growing



Source: ABG Sundal Collier, Research Nester

Importantly, while metastatic CRC accounts for ~23% of new diagnoses, it is forecast to reach 68% of the overall CRC therapeutics market by 2035, according to Research Nester (Research Nester, 2025). In terms of market value, the global market for mCRC treatment will grow to SEK 80bn (~USD 9bn) by 2032, according to market research by Back Bay Life Science Advisors conducted in 2024-2025 on behalf of Isofol. This reflects both the clinical complexity and the high treatment intensity associated with metastatic disease. It expects that growth will be driven by persistently high incidence rates, combined with the introduction of new targeted therapies and immunotherapies. However, despite ongoing innovation in the CRC treatment landscape, most new therapies are developed either as add-ons to 5-FU +folate regimens or for later lines of treatment. In contrast, arfolitixorin stands out as one of the few innovations with the potential to significantly potentiate the effect of 1L treatment.

USD 6bn	USD 9bn	USD 1bn
Current market size for pharmaceuticals for metastatic colorectal cancer	Projected market size for pharmaceuticals for metastatic colorectal cancer by '32e	Gross sales potential for arfolitixorin in the US (blockbuster potential)

Source: ABG Sundal Collier, Company data

Isofol's remedy – arfolitixorin

Arfolitixorin is Isofol's next-generation active folate, designed to boost the effect of 5-FU-based chemotherapy for metastatic colorectal cancer by directly delivering the active metabolite that blocks DNA synthesis and tumour growth. Unlike leucovorin, arfolitixorin does not need metabolic activation, which Isofol believes makes it offer faster and more consistent efficacy. While the AGENT Ph 3 trial missed its primary endpoint, substantial issues in the trial design and execution were uncovered. Per-protocol post-hoc analyses showed dose and timing as key factors for success through indicating enhanced efficacy with arfolitixorin. With a revised dosing strategy, a well-defined mechanistic rationale and a revised clinical programme underway, we see renewed potential for arfolitixorin to emerge as a differentiated treatment option in colorectal cancer.

For patients diagnosed with metastatic colorectal cancer (stage 4), 5-FU (fluorouracil) chemotherapy combined with folinic acid (inactive folate variant) is the backbone of 80-90% of 1L treatments. As previously mentioned, leucovorin is the standard active folate precursor used today, but its mechanism of action is thought to be suboptimal, as it must first be metabolised inside the cells to become active and effective. Isofol's arfolitixorin is designed to be a superior alternative through bypassing the need of metabolic activation, thereby enhancing the therapeutic effect of 5-FU. With ~23% of colorectal cancer patients diagnosed at the metastatic stage (mCRC), and with the bulk of therapeutics' market value, this population represents Isofol's most immediate and significant commercial opportunity.

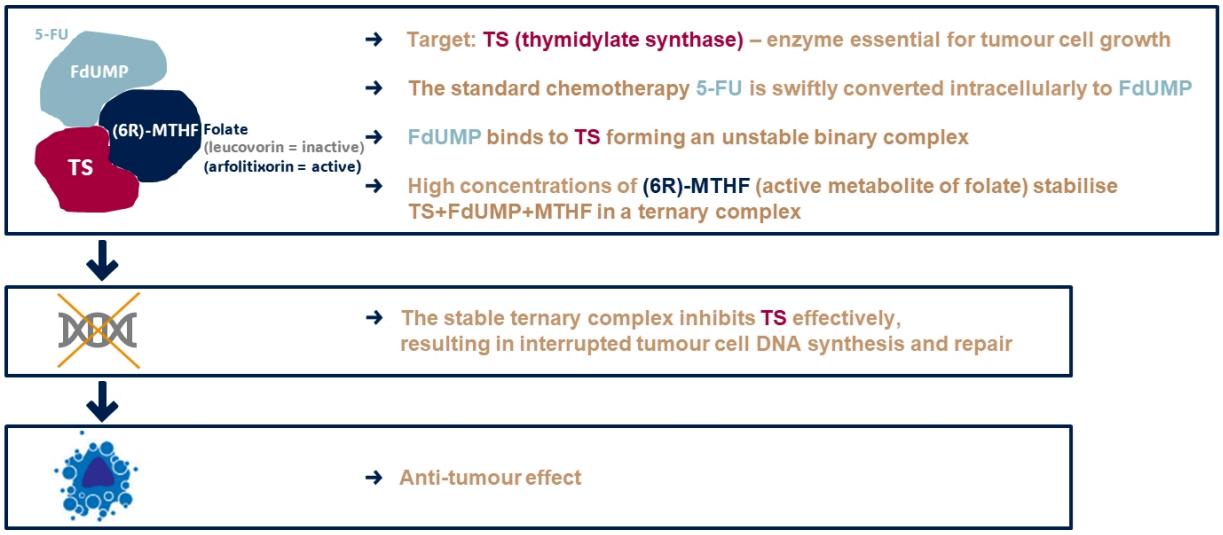
While Isofol's primary focus is metastatic colorectal cancer, the company has also said that arfolitixorin with time could be expanded to earlier stage colorectal cancer, i.e. as neoadjuvant (pre-surgery) or adjuvant treatment (post-surgery) in stage 2 (local spread) and 3 (regional spread), where chemotherapy is a well-established practice for high-risk patients, with its use steadily increasing since the 1980s (see chart on p. 12). Isofol may also consider expanding into other cancer types where folate-based chemotherapy remains the standard of care, such as pancreatic, gastric, breast and head and neck cancer, broadening the possible long-term commercial potential of arfolitixorin.

Standard of care: 5-FU with leucovorin as the backbone

The standard 1L treatment for metastatic colorectal cancer is based on the chemotherapy drug 5-FU (fluorouracil) as a backbone. To improve its effectiveness, 5-FU is usually combined with folinic acid (inactive folate variant), given as leucovorin or the very similar levoleucovorin. In addition, other chemotherapy drugs, such as oxaliplatin, irinotecan or targeted monoclonal antibodies such as bevacizumab and cetuximab, are usually added. One of the most used regimen is FOLFOX (i.e. 5-FU + oxaliplatin + leucovorin) with bevacizumab.

The combination of 5-FU and folinic acid inhibits the enzyme thymidylate synthase (TS), which drives DNA synthesis and tumour cell growth. 5-FU alone forms an unstable complex with TS. Conversely, in the presence of the active form of folate ((6R)-MTHF, which arfolitixorin is), a stable ternary (three components) complex is created that effectively blocks TS, thereby halting DNA synthesis and cell division. 5-FU is more harmful to cancer cells than normal cells because they divide much faster and depend heavily on the pathway that 5-FU blocks, so they run out of the building blocks needed to copy their DNA. Normal cells can compensate better through slower division, more effective DNA repair and partial use of salvage pathways. This results in antitumour activity and, ultimately, tumour cell death.

How active folate strengthens 5-FU's anti-tumour effect



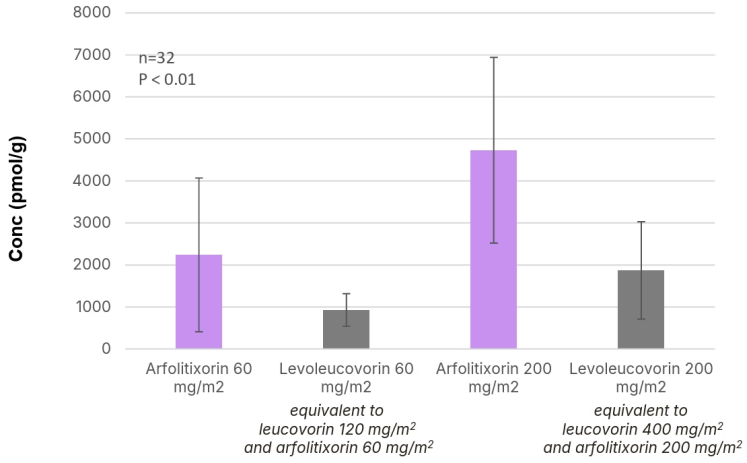
Source: ABG Sundal Collier, Company data

However, folinic acid (leucovorin) is a prodrug, i.e. it must first be metabolised inside the cells to become active and effective. This process is not optimally efficient, particularly in patients with potential genetic or metabolic differences that slow activation, and as a result, fewer than half of patients respond to the treatment. The poor prognosis, with five-year survival rates < 15%, demonstrates the high medical need for therapies to enhance the efficacy of 5-FU based regimens.

New generation folate: arfolitixorin

Isofol's arfolitixorin has been developed to enhance the efficacy of 5-FU-based (fluorouracil) chemotherapy. Arfolitixorin provides the active form of folate directly, thereby bypassing the body's metabolic conversion required for leucovorin, resulting in less variability in response and higher levels of (6R)-MTHF (the active form of folate), leading to consistent plasma and tumour exposure. Decisively, Isofol believes this enables a more predictable, immediate and potent synergy with 5-FU, i.e. inhibition of TS, independent of patient-specific metabolic differences, and thereby improving treatment efficacy and consistency. This is supported, for example, by Isofol's randomised Ph 1/2 trial ISO-CC-002. As shown in the next chart, arfolitixorin demonstrated more than twice the levels of (6R)-MTHF in the tumour when co-administered with 5-FU compared to equimolar doses (equal number of molecules) of leucovorin/levoleucovorin. Arfolitixorin is the first and only direct-acting folate-based compound available.

More potent 6R-MTHF-activation

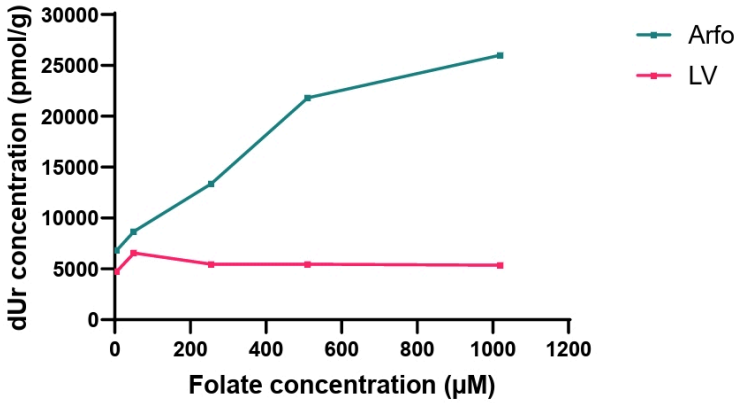


Source: Company data

Furthermore, it is well recognised in the colorectal cancer literature that increasing the dose of leucovorin beyond standard levels does not improve clinical outcomes when used in combination with 5-FU. Comparative studies have shown similar overall survival and tumour response rates between high-dose and low-dose leucovorin regimens, indicating the absence of a meaningful dose-response relationship and suggesting that lower leucovorin doses are sufficient to achieve maximal modulation of 5-FU activity (Hsu et al., *Colorectal Disease*, 2020) (CADTH Health Technology Review, 2023).

Isofol has also simulated this in preclinical studies using colorectal tumour homogenates (tumour tissue that has been ground up into a uniform mixture for laboratory analysis), measuring deoxyuridine (dUr) concentrations (a biomarker for TS inhibition) as a surrogate for clinical efficacy, as seen in the chart below. For leucovorin, no dose-response was seen. However, for arfolitixorin, the study showed a strong dose-response relationship, i.e. that higher doses of arfolitixorin increased the level of dUR, indicating increased TS inhibition (Odin et al., *Cancer Treat. Res. Commun.*,2026).

Dose-response relationship for arfolitixorin but not leucovorin

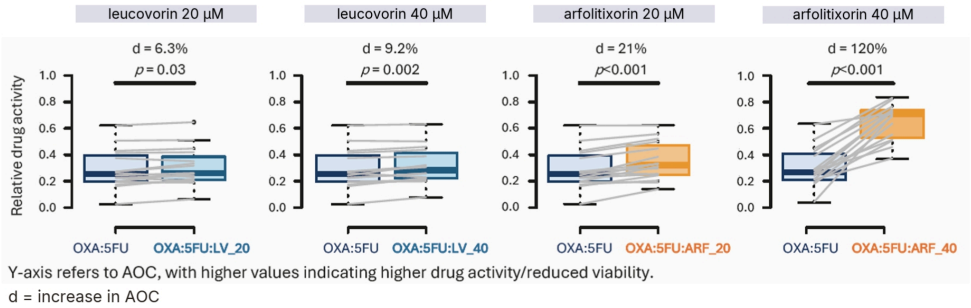


Source: Company data

Footnote: dUr concentration is a surrogate marker for TS inhibition. Arfo = arfolitixorin, LV = leucovorin

This dose-response relationship was also demonstrated in another preclinical study conducted on colorectal tumour samples from liver metastases from living patients (tumour organoids), as arfolitixorin showed a clear concentration-dependent cytotoxic effect on 5-FU+oxaliplatin activity compared to leucovorin. As shown in the diagram below, the addition of leucovorin to 5-FU and oxaliplatin only led to a modest 6.3% increase in drug activity (cytotoxic effect), whereas doubling the leucovorin dose caused a 9.2% increase. The addition of arfolitixorin, however, led to an efficacy increase of 21%, and even 120% when doubling the dose (Eide et al., *Annals of Oncology*, 2025).

Dose-response relationship for arfolitixorin but not leucovorin



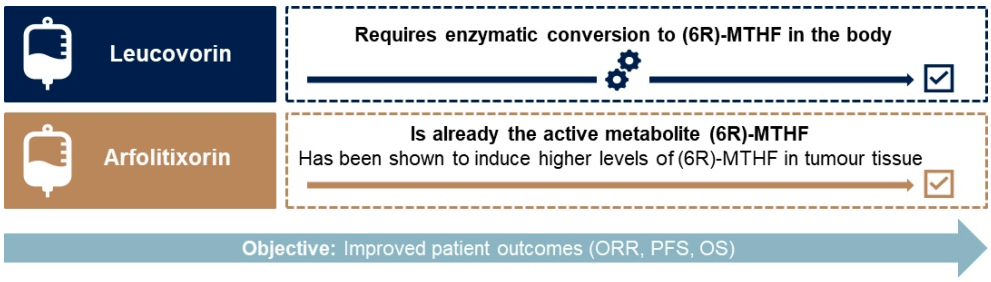
Source: Company data

Footnote: Average based on 20 patient-derived tumour organoids

More so, the findings from the Ph 2 Modelle-001 trial support a dose-response relationship. The trial demonstrated significantly higher levels of (6R)-MTHF in metastases following arfolitixorin compared to leucovorin. Although not statistically significant, this resulted in a numerically greater increase in TS inhibition (a surrogate marker for clinical efficacy) in

metastases for arfolitixorin compared to leucovorin. The median TS inhibition was highest and second-highest in the high-dose and low-dose arfolitixorin-group, respectively (Taflin et al., *BJC Reports*, 2024).

The benefits of arfolitixorin



Source: ABG Sundal Collier, Company data

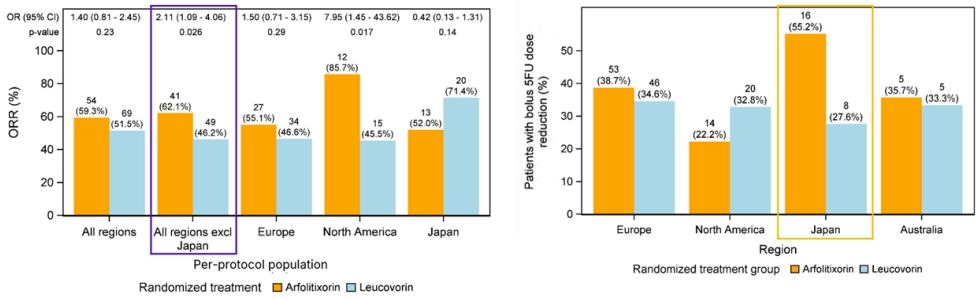
Reduced infusion time

Arfolitixorin has a reduced infusion time (5-25 min) compared to leucovorin (~2 hours). Still, our understanding is that these factors are unlikely to be sufficiently differentiating factors without clinically meaningful improvements, i.e. a 15pp improvement in ORR (objective response rate).

Learnings from the AGENT Ph 3 trial – too little, too late

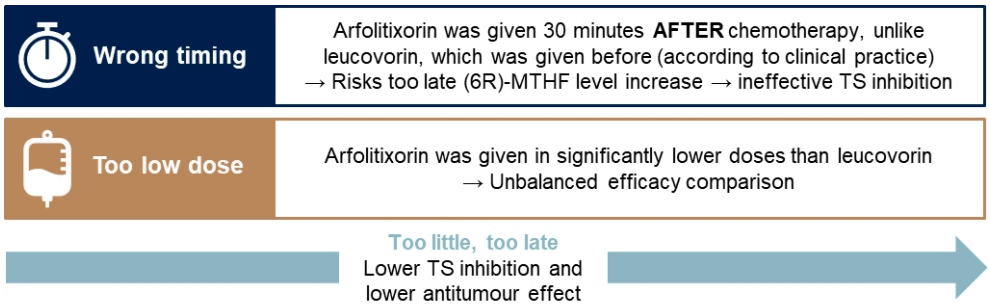
On the basis of the above, arfolitixorin was evaluated in the global, randomised, controlled, open-label Ph 3 AGENT trial, which compared its efficacy and safety against leucovorin in ~490 patients with unresectable metastatic colorectal cancer across more than 90 sites. The top-line results published in 2022 did not demonstrate statistical superiority over leucovorin, with an ORR (overall response rate) of 48.2% vs. 49.4%, respectively (p = 0.57), and median progression-free survival (mPFS) was not significantly different between the groups (12.8 vs 11.6 months; p = 0.38). However, subsequent analyses including a post-hoc per-protocol analysis revealed key insights that have guided Isofol's current development strategy. The data indicate that the chosen dose (2x 60 mg bolus injections) and administration timing of arfolitixorin likely resulted in suboptimal exposure:

- Firstly, the arfolitixorin dose was less than half of the leucovorin dose used in the control arm. Additionally, arfolitixorin was given as a split dose instead of a single high bolus. As explained above, findings indicate that there is a much larger dose-response relationship for arfolitixorin than for leucovorin. Pharmacokinetic modelling has shown that higher doses of arfolitixorin likely can be administered safely.
- Secondly, arfolitixorin was administered after 5-FU, which is a bit strange, whereas leucovorin in the control group was administered before. For optimal modulation of 5-FU, i.e. stabilisation of the complex that inhibits the target enzyme TS (thymidylate synthase), which again inhibits DNA synthesis and tumour growth, it is generally agreed that the metabolite should be given before 5-FU (Danenberg et al., *Crit Rev. Oncol. Hematol.*, 2016). Otherwise, one risks that only a binary complex, which cannot be transformed to a ternary complex and is efficacy suboptimal, is formed.
- Lastly, for unknown reasons, as seen in the chart on the right below, a significantly larger proportion of arfolitixorin-patients received a lower 5-FU dose (the chemotherapy itself) than they should have. This was particularly the case in Japan. With regard to this, a per-protocol post-hoc analysis was conducted by an external expert committee in 2024. As seen in the chart on the left below, if excluding all patients with protocol deviations, arfolitixorin saw a numerical improvement over leuocovrin. Furthermore, if Japanase patients are also excluded, the data point to a potentially statistically significant improvement over leucovorin. However, conversely, more leucovorin patients in the US received a reduced 5-FU dose. Although one should be very careful when interpreting post-hoc analyses, we consider the findings interesting.



Source: Company data

The Phase 3 AGENT trial had a suboptimal design



Source: ABG Sundal Collier, Company data

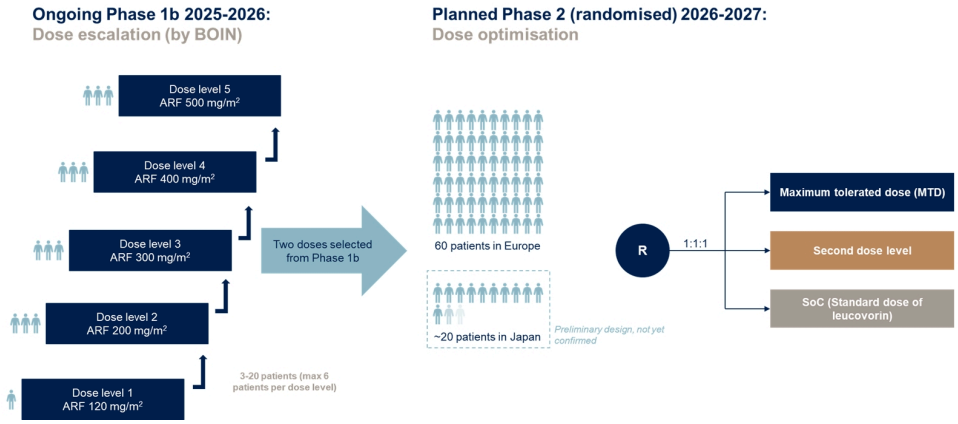
All eyes on the new Ph 1b/2 trial

As the above findings indicate that the negative outcome of the AGENT Ph 3 trial may not have been due to a lack of arfolitixorin effect, but rather due to poor trial design and execution, the current Ph 1b/2 trial has been structured to address these shortcomings. The trial is enroling unresectable metastatic colorectal cancer patients (stage 4) and was initiated in collaboration with Charité Universitätsmedizin Berlin in April 2025. Crucially, in addition to higher doses of arfolitixorin, the trial has a redesigned timing of administration, so that arfolitixorin is delivered shortly before 5-FU, which was only done for leucovorin in the failed Ph 3 trial. This optimises the interaction with 5-FU and the target enzyme thymidylate synthase (TS). Also, stricter monitoring and reinforced adherence to protocol are in place to ensure consistent and reliable data generation across sites.

Part 1b is a dose escalation phase with the purpose of exploring higher dose levels of arfolitixorin and establishing the maximum tolerated dose (MTD), based on evidence that greater drug exposure can enhance tumour response. Some early efficacy signs may also be observed. The second dose cohort, i.e. 200 mg, was successfully completed in September 2025 as reviewed by the Safey Review Committee, and the trial has proceeded to the 300 mg cohort. Arfolitixorin has previously been tested in up to 500 mg, but in healthy volunteers, i.e. without concurrent chemotherapy use. The primary endpoints are safety and maximum tolerated dose (MTD), whereas the key secondary endpoints are objective response rate (ORR), progression-free survival (PFS) and overall survival (OS).

In part 2, the efficacy of arfolitixorin will be assessed in a planned trial design with ~60 patients randomised 1:1:1 to two optimised dose levels and standard of care with leucovorin, respectively. The choice of two arfolitixorin doses in part 2 is mainly in line with FDA Project Optimus, which is an FDA oncology initiative that aims to optimise cancer drug dosing, moving away from the traditional standalone “maximum tolerated dose” (MTD) approach. The primary endpoints are safety, objective response rate (ORR) and duration of response (DoR), while overall survival (OS) and progression-free survival (PFS) remain the key secondary endpoints. To speed up recruitment in part 2, Isofol plans to expand the trial with 5-10 new sites. In parallel, preparations are being made with Isofol’s partner Solasia to expand the trial into Japan in 2026, broadening the data package and regulatory reach.

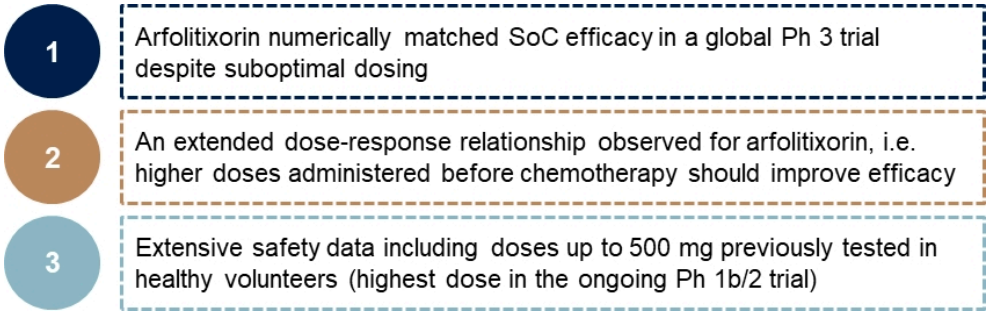
Phase 1b/2 trial with optimised dosing regimen



Source: ABG Sundal Collier, Company data

Combined with a robust intellectual property position and support from global academic and commercial partners, Isofol appears well positioned for a new clinical chapter. While an unfavourable result in the ongoing Ph 1b/2 trial would drastically limit the company's future prospects, a positive outcome would go a fair way in indicating that arfolitixorin is a more effective and predictable alternative to leucovorin, while also opening opportunities for earlier lines of colorectal cancer, other gastrointestinal cancers and partnerships.

Arfolitixorin: Remake rationale

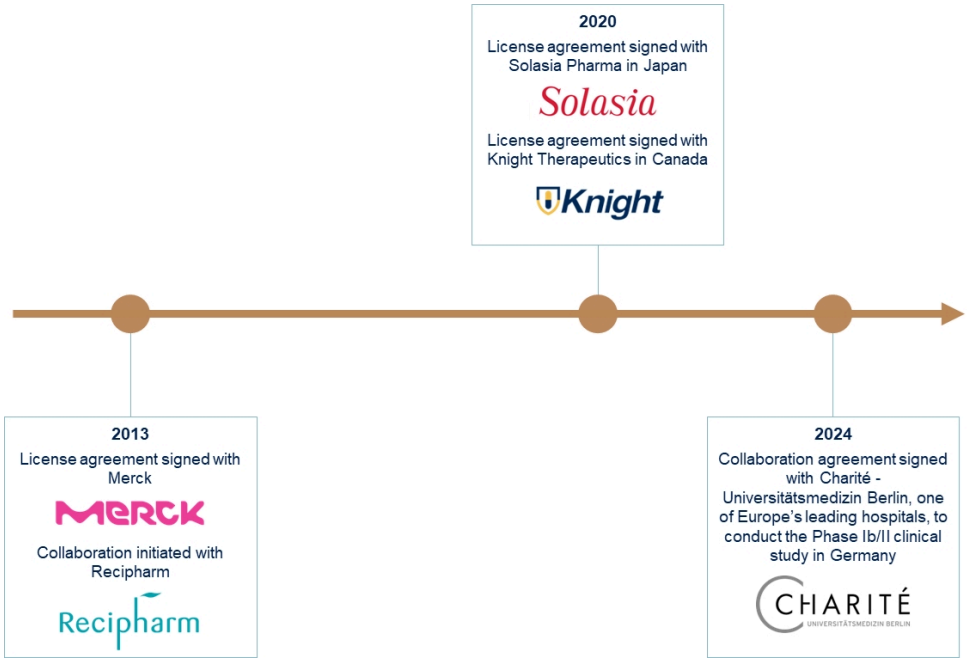


Source: ABG Sundal Collier, Company data

Partnerships

Isofol has built a broad network of partners with expertise in oncology research, clinical development, manufacturing, intellectual property, and commercialisation. Together, these collaborations provide strong conditions to advance the development of arfolitixorin.

Timeline of Isofol's partnerships



Source: ABG Sundal Collier, Company data

Solasia Pharma

With Solasia Pharma, Isofol has established a regional licence agreement for Japan, the world's second-largest pharmaceutical market. The agreement is worth up to USD 100m in upfront and milestone payments tied to development, regulatory, and sales progress, in addition to tiered double-digit royalties on net sales. In 2024, Solasia (market capitalisation of ~SEK 450m) reaffirmed its intention to expand the Ph 2 part of the upcoming trial to include Japanese patients in 2026. Later in 2025, Solasia further confirmed its commitment to arfolitixorin by announcing it will invest ~SEK 140m in upcoming Ph 2 and 3 trials in Japan. This expansion strengthens both the numerical size and diversity of the trial population, thereby supporting future regulatory processes in Japan as well as in other markets. Addtionally, Solasia participated in the 2025 rights issue.

Knight Therapeutics

Isofol also holds a licence agreement with Knight Therapeutics (market capitalisation ~SEK 3,900m) covering commercialisation in the Canadian market. Under the agreement, Isofol is entitled to receive up to USD 23m in upfront and milestone payments tied to development, regulatory, and sales progress, in addition to tiered double-digit royalties on net sales.

Merck

Isofol has a strategic research and development partnership with Merck Life Science in Germany and its Swiss subsidiary Merck & Cie, which adds complementary expertise. Merck is also responsible for all patent work related to the drug substance and product (to which Isofol has a license), and is actively working to maintain and enhance the suite of patents. Isofol contributes its knowledge in the clinical development and therapeutic application of arfolitixorin, while Merck & Cie provides expertise in synthesising a stable API (active pharmaceutical ingredient) of (6R)-MTHF as well as developing a sustainable and scalable formulation.

Link Medical

Link Medical serves as Isofol's main clinical research organisation, supporting the company in carrying out its clinical trials. The partnership ensures professional management of essential tasks such as statistical analyses, database management, preclinical support, and the distribution of trial drugs.

Recipharm

Recipharm in Wasserburg, Germany, is Isofol's partner for large scale manufacturing of arfolitixorin. A robust production process is already in place, and the companies work closely together to secure supply for ongoing and future clinical trials.

Charité - Universitätsmedizin Berlin

Isofol collaborates with Charité - Universitätsmedizin Berlin, specifically the Department of Hematology, Oncology, and Cancer Immunology under the leadership of Professor Sebastian Stintzing. The partnership focusses on the continued development of arfolitixorin for colorectal cancer and other solid tumours. As part of this collaboration, Isofol and Charité will jointly conduct the Ph 1b/2 clinical trial, with Professor Stintzing serving as coordinating investigator.

Financing

Since its IPO, in 2017, Isofol has carried out several financing rounds to advance its clinical development. Most recently, the company raised SEK 91m through a rights issue in 2025, while additional commitments from its Japanese partner Solasia Pharma further strengthen the outlook for upcoming trials.

Historical financing rounds

Isofol Medical has conducted several financing rounds since its listing. In April 2017, Isofol was listed on Nasdaq First North Premier with a share issue, raising ~SEK 400m after transaction costs. The proceeds were primarily intended to fund the company's pivotal Ph 3 registration trial.

In 2020, the company strengthened its financial position through a successful rights issue and a directed share issue, together providing ~SEK 151m after transaction costs.

In 2021, Isofol raised a total of ~SEK 452m after transaction costs through a rights issue combined with a directed share issue. Later that year, Isofol's shares were transferred to Nasdaq Stockholm, with the purpose of increasing market visibility, enable index inclusion, and broaden the investor base by making the shares investable for a wider range of institutional investors.

Most recently, in 2025, Isofol announced a rights issue, which raised ~SEK 91m and ~SEK 84m in gross and net proceeds, respectively. This financing is discussed in more detail below.

Moreover, Isofol's Japanese partner, Solasia Pharma, announced in 2024 its intention to invest ~SEK 140m to fund upcoming Ph 2 and Ph 3 trials for arfolitixorin in Japan.

Historical financing rounds since IPO

Source: ABG Sundal Collier, Company data

Footnote: Net proceeds

Most recent rights issue

In May 2025, Isofol announced a fully guaranteed rights issue, which was approved by an extraordinary general meeting in June. The purpose of the capital raise was to finance the company's ongoing Ph 1b/2 clinical trial of arfolitixorin to rapidly generate new clinical data and advance closer to commercialisation.

The structure of the issue meant that shareholders received one unit right for each share held on the record date of June 16, and 18 unit rights entitled the holder to subscribe for one unit. Each unit consisted of 12 newly issued shares together with four warrants of series TO1 and four warrants of series TO2. The subscription price was SEK 9.60 per unit, corresponding to SEK 0.80 per share, which represented a discount of about 25%.

The offering was oversubscribed by 120%, with approximately 85% subscribed for with unit rights and the remainder without. None of the guarantee undertakings needed to be utilised, but a portion of the over-allotment option of SEK 5m was exercised to ensure allocation to

Isofol's Japanese partner, Solasia Pharma. In total, the rights issue raised ~SEK 91m before transaction costs, or ~SEK 84m net.

Support from existing shareholders, board members and management was secured already before the issue through subscription undertakings amounting to ~SEK 16m, corresponding to ~20% of the rights issue. In addition, the Japanese partner Solasia Pharma committed SEK 5m, bringing the total pre-commitments to roughly SEK 21m. The remainder was guaranteed by external investors. All guarantors chose to receive their guarantee compensation in units rather than cash, further underscoring confidence in the company's prospects.

The attached warrants provide additional financing flexibility. TO1 can be exercised between March 16 and March 30, 2026, at 70% of the volume-weighted average share price during the measurement period in early March, subject to a floor of 50% and a cap of 150% of the SEK 0.80 subscription price. TO2 follows the same structure with an exercise window between 16 November and 30 November, 2026, based on an early November pricing period, with a floor of 60% and a cap of 200% of the SEK 0.80 subscription price.

The immediate effect of the issue was an increase in the number of shares from 161.5m to 281.1m, corresponding to a dilution of ~40% for shareholders who did not participate, although the tradable unit rights partially compensated for this effect. If all TO1 and TO2 warrants are exercised in full, 79.8m shares would be issued (including oversubscirption to Solasia and compensation to guarantors), which would provide Isofol with an additional SEK 31-100m before transaction costs, depending on the final subscription prices. This would further strengthen the company's capital base and supporting progress towards upcoming clinical and strategic milestones, by extending the cash runway into 2028e.

Market model and forecasts

Likelihood of approval and success

According to Wong et al., who looked at 15 years of clinical data (2000–2015) for more than 21,000 drugs and more than 400,000 entries of clinical data, lead oncology assets have a mean LOA (likelihood of approval) of 13% from Ph 2 (Wong et al., *Biostatistics*, 2019).For arfolitixorin to represent a commercially meaningful improvement over the current standard of care, KOL feedback is that arfolitixorin will need to show a minimum of 15pp improvement in objective response rate (ORR).

Given the well-researched mechanism of action, solid safety profile and compelling rationale and learnings for the trial remake, we argue that the LOA of arfolitixorin within metastatic colorectal cancer is significantly higher, and estimate an LOA of 20%. Accordingly, we risk-adjust royalties from net sales for metastatic colorectal cancer (mCRC) by 20%. For milestone payments we apply a tiered risk adjustment of 40-15%, reflecting the lower risk of near-term milestones. A positive Ph 2 trial would materially de-risk the case. For reference, Wong et al. (Wong et al., *Biostatistics*, 2019) found that oncology lead assets have an LOA of ~50% from Ph 3. Depending on the magnitude of effect and clinical significance, we would raise the risk adjustment to ~50%.

Target population

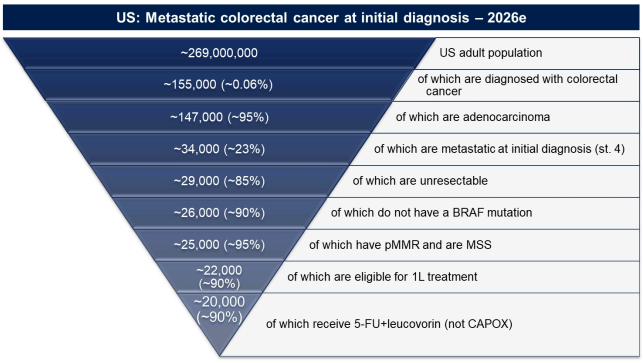
Initially, Isofol will target 1L unresectable metastatic colorectal cancer patients (mCRC). This includes both patients that have metastases (stage 4) at the time of initial diagnosis, and patients that progress to metastatic disease (stage 4) after initially having been diagnosed with earlier stage disease (stage 1-4). Currently, we prudently do not include stage 2-3 colorectal cancer, which is treated with arfolitixorin as neoadjuvant (pre-surgery) and/or adjuvant (post-surgery) treatment, due to it not being the lead indication and as these stases have a lower unmet medical need. Similarly, we currently treat a potential future expansion into other cancer types with 5-FU+folate as the backbone of chemotherapy as pure upside, as we as of now consider their potential development paths to be too resource-demanding and far ahead.

Accordingly, we estimate the following target population:

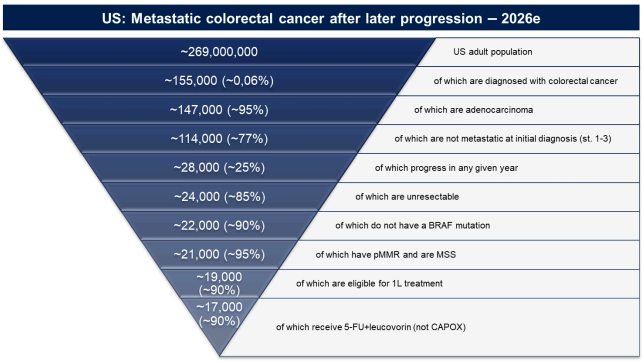
- 1) According to the US National Cancer Institute, ~154,000 new cases of CRC are expected in 2025 (SEER), which corresponds to ~0.06% of the adult population. The European Commission estimated that there were ~341,000 new CRC cases in the EU-27 countries in 2021 (ECIS), which corresponds to ~0.09% of the adult population. The incidence in the US is expected to remain relatively flat until 2040e (Rahib et al., *JAMA*, 2021), and while estimates for the EU tend to expect rising incidence in the EU, we conservatively assume flat incidence in the EU as well.
- 2) Among these, ~95% are the adenocarcinoma, for which 5-FU+folate-based combination chemotherapy regimens are the standard of care (Hossain et al., *cancers*, 2022).
- 3) Among these, ~23% are metastatic (stage 4) at the time of diagnosis, according to the American Cancer Society (American Cancer Society). Among the remaining ~77% with stage 1-3, lifetime risk of progressing to stage 4 is 20-25% (McKigney et al., *BMC*, 2025) (Aranda et al., *Clin. and Transl. Oncology*, 2020). Assuming steady-state, the long-run number of stage 1-3 to stage 4 transitions per year equals the number of new stage 1-3 cases per year multiplied by the lifetime risk that each will eventually make that transition, i.e. 77% multiplied by 20-25%.
- 4) Out of these patients, ~85% (range of 80-90%) are not eligible for curative-intent surgery (Ding et al., *cancers*, 2023).
- 5) Among these, ~90% do not have a BRAF mutation, which is the only mutation class excluded from Isofol's development programme due to the availability of encorafinib (Caputo et al., *Int. J. Mol. Sci.*, 2019) (*EMJ Oncol.*, 2024).
- 6) Next, ~95% of these patients have a proficient DNA mismatch repair system (pMMR) and do not have the biomarker of high microsatellite instability (MSI-H) (Quintanilha et al., *JAMA*, 2023), and are inclusion criteria in the Ph 1b/2 trial, as they otherwise would be eligible for checkpoint inhibitors.

- 7) We estimate that ~90% of these patients are eligible for 1L chemotherapy.
- 8) Lastly, we need to exclude patients that are not treated with 5-FU+folate as the backbone in 1L, i.e. patients that receive the oral alternative CAPOX/CAPEOX/XELOX, which is the only regimen without 5-FU+folate. While exact country-level CAPOX/CAPEOX/XELOX shares are not consistently reported, based on published real-world treatment-pattern studies, we assume that in the EU ~20% (range of 15-25%) of patients that receive 1L chemotherapy for mCRC receive CAPOX/CAPEOX/XELOX, whereas in the US the corresponding proportion is ~10% (range of 5-15%). It is worth noting that the potential efficacy increase that arfolitixorin may bring to the 5-FU+folate regimens might reduce the proportion of patients receiving CAPOX/CAPEOX/XELOX.

Based on these findings, we have modelled the following target population funnels using the US as an example, yielding a target population of approximately 37,000 patients in the US in 2026e. Among these, ~20,000 are diagnosed with metastatic disease (stage 4) at the time of diagnosis and ~17,000 progress to metastatic disease at some point.



Source: ABG Sundal Collier



Source: ABG Sundal Collier

Given that arfolitixorin can show a solid clinical meaningful improvement, i.e. a 15pp or more improvement in ORR (objective response rate) over standard of care, we estimate a peak penetration of 50% in 2038-2042 across the US, EU, Canada and Japan.

Pricing

Given that arfolitixorin can show a 15pp or more improvement in ORR over standard of care, and based on BackBay's extensive marked research report, which we find reasonable regarding price, we assume a US gross and net pricefor arfolitixorin of USD 1,500 and USD 1,000 per cycle during the exclusivity period, respectively. For the EU, Canada and Japan, we assume approximately half of that price. Based on a historical median time to progression of ~11 months in 1L, we conservatively assume eight months of treatment, i.e. 16 treatment cycles and arfolitixorin administrations. After loss of exclusivity, we assume a 50% price reduction across all markets.

Path to market

Timelines

Isofol has successfully completed a pre-IND meeting (Pre–Investigational New Drug Meeting) with the FDA, i.e. the design of the current Ph 1b/2 trial is acceptable without any substantial adjustments. The company is ready to finalise a submission of a full IND (Investigational New Drug application), which will be needed to initiate a later pivotal trial in the US. According to the company, the current Ph 1b/2 protocol combined with a future Ph 3 trial is sufficient for US market authorisation.

We expect the Ph 1b part of the trial to finish in Q2'26 and the Ph 2 part to be initiated during H2'26: Based on a mPFS of ~11 months, we anticipate the top-line data in late '27/early '28. Given positive data, we expect a partner deal for the US and EU to be struck in H1'28. Subsequently, we model that a Ph 3 trial will be initiated in late '28, which by early '31 will have top-line data, sufficient for drug approval applications to be submitted to the respective regulatory authorities in mid'31, approval obtained in mid'32e and arfolitixorin launched in H2'32. We deem conditional approval based on the ongoing Ph 2 trial as a low-probability scenario, also with a potential extension cohort. Today, we assume a standard 10-month

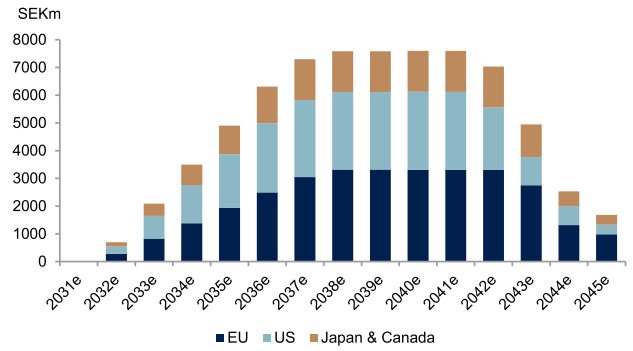
review time.We do not believe that there are any novel agents in development that will alter treatment practice in 1L to such an extent that future clinical trials will require arfolitixorin to be compared against them in a separate trial.

Partner deal structure

We assume that a partner deal for the US and EU will be struck in 2028 if the Ph 1b/ 2 trial is successful. We model the following partner deal structure:

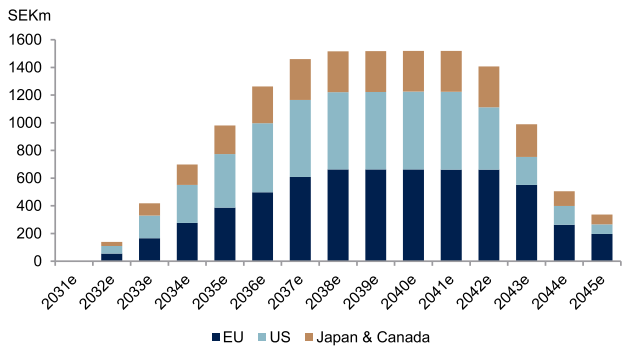
- The partner finances the Ph 3 trial.
- The partner covers regulatory and commercialisations costs.
- The partner covers COGS.
- Isofol receives up to USD 100m in upfront and regulatory and commercial milestones, of which USD 10m is upfront and USD 20m is from a successful Ph 3/approval/launch milestone.
- Isofol receives a flat royalty rate of 15% on net sales.

Non-risked total sales



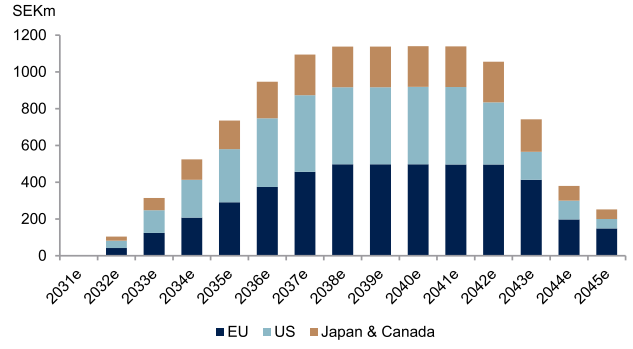
Source: ABG Sundal Collier, Company data

Risk-adj. total sales



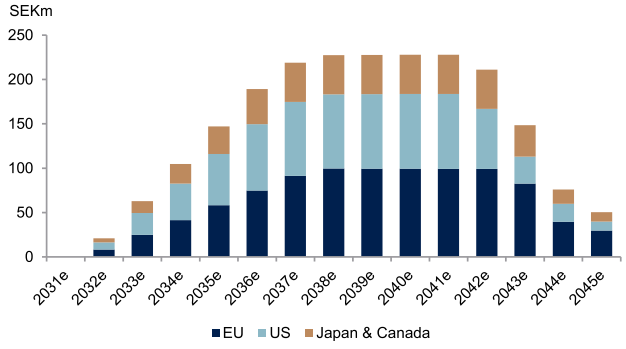
Source: ABG Sundal Collier, Company data

Non-risked royalties



Source: ABG Sundal Collier, Company data

Risk-adj. royalties



Source: ABG Sundal Collier, Company data

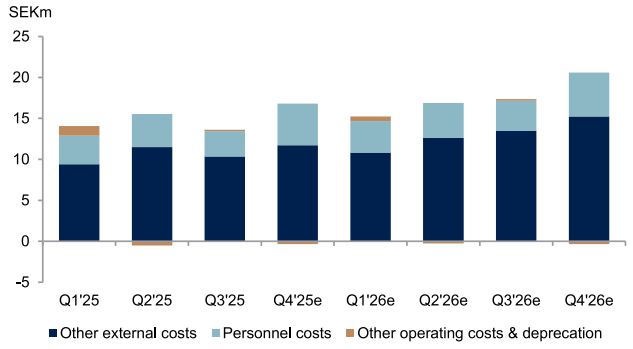
Costs

The revenue stream, and thus the whole model, depends on the success of arfolitixorin within metastatic colorectal cancer (mCRC). As we only include potential upside from arfolitixorin in mCRC, we have modelled that personnel costs increase by ~25% up to the peak, in 2028, before gradually decreasing to approximately two thirds of the current level in 2034, and thereafter increasing at an inflation rate of 2%. R&D costs (the main part of "other external costs") peak in 2027e, before gradually falling back to approximately half of the current level in 2034e, and thereafter increasing at an inflation rate of 2%. We acknowledge that there is a high likelihood that costs would likely pick up again if arfolitixorin sees success in mCRC, unless the entire company is sold, as Isofol would then be highly tempted to pursue earlier stages of CRC or other cancers with 5-FU+folate as the backbone of chemotherapy. However, because we have limited visibility into these projects and do not include them in our revenue estimates, we consider it fair from a valuation standpoint to not

include their specific costs either, i.e. not punishing Isofol twice, and we therefore assume a slim mCRC organisation.

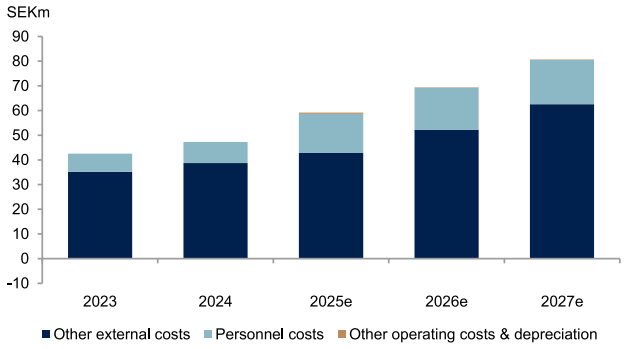
As we consider costs related to the ongoing Ph 1b/2 trial as sunk costs, they are 100% risk-adjusted. Costs in the period '29e-'31e are risk-adjusted in a 70-40% tiered fashion, corresponding to our assessment of the likelihood of a successful Ph 2 readout. Costs beyond '31e including post-approval costs, i.e. contingent on a successful Ph 3 trial, are risk-adjusted by 25% – closely aligned with our estimated LOA of 20% for arfolitixorin in mCRC.

Non-risked quarterly OPEX



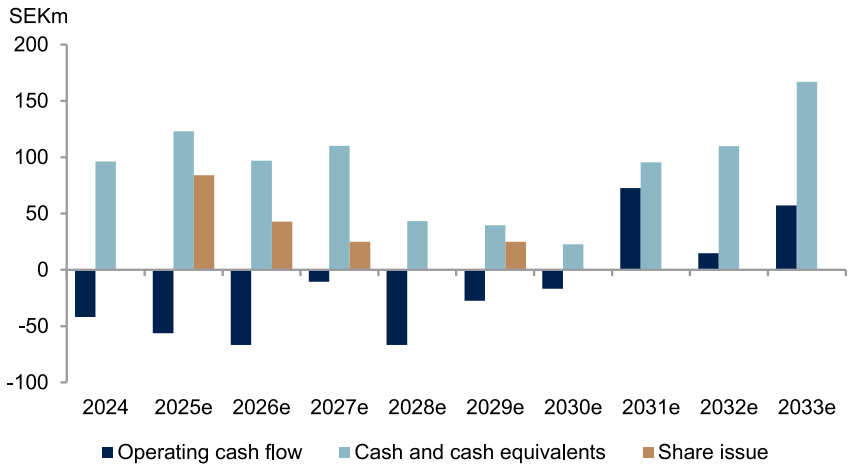
Source: ABG Sundal Collier, Company data

Non-risked annual OPEX



Source: ABG Sundal Collier, Company data

Risk-adj. operating cash flow and cash position



Source: ABG Sundal Collier, Company data

Patents

Isofol's patent protection for arfolitixorin consists of substance, clinical use, and dosing patents that together secure strong market exclusivity. The composition of matter patent, owned by Merck and licenced exclusively to Isofol, protects the chemical compound itself until 2037 in the US and 2034 in other key markets. Also, the European Patent Office (EPO) recently issued an Intention to Grant notice regarding a new formulation patent for arfolitixorin, providing access to national patents in up to 39 member states until 2043, following final formalities. Based on this and the positive International Search Report announced in September 2024, Isofol has stated that it intends to also pursue patent protection in additional key regions such as the US and Japan. In addition, Isofol has filed for clinical use patents, which cover therapeutic applications and dosing regimens, expiring in 2045 if granted. Clinical use patents support substance patents when they expire: competitors cannot market arfolitixorin for the same indications or with identical dosing strategies. Additional patent extensions may also be possible. This continuous expansion

of intellectual property protection raises the barriers to entry for potential competitors and strengthens the long-term commercial potential of arfolitixorin.

Valuation

Given the absence of neart-term revenues, except for potential partner deal upfronts and milestones, we value Isofol using a standard risk-adjusted DCF with a 12% WACC and 0% terminal growth rate. We also include future share dilutions, for which the share price in the assumed equity raises of SEK 25m in 2028e and 2030e are adjusted according to the current Ph 1b/ 2 trial outcome. If successful, we assume that a partner deal for the US and EU will be struck in 2028e. Based on this, we model three different DCF scenarios:

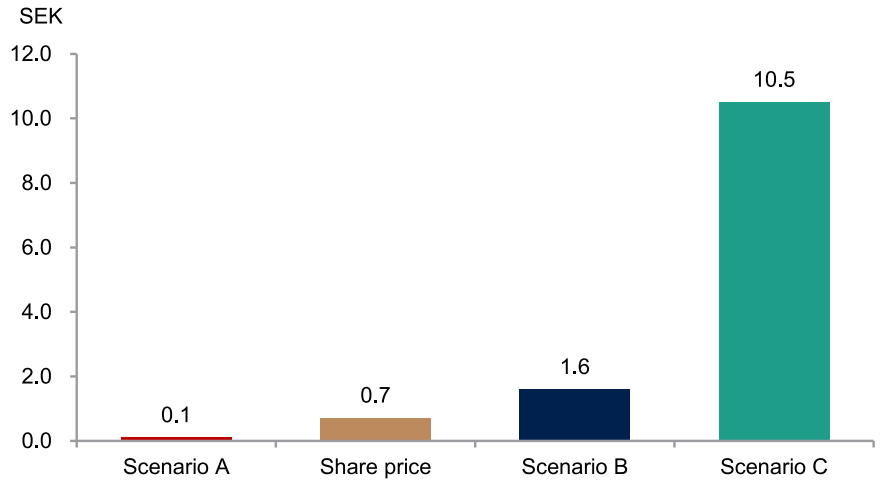
• **Scenario A (LOA of 0%)** assumes failure of the ongoing clinical programme and yields a value of **SEK 0.1/share**.

• **Scenario B (LOA of 20%)** reflects a risk-weighted scenario, yielding a value of **SEK 1.6/ share**.

• **Scenario C (LOA of 100%)** assumes full clinical and commercial success within first-line metastatic colorectal cancer treatment, and yields a value of **SEK 10.5/share**.

Taken together, this yields our fair value range of SEK 0.1-10.5 per share for Isofol Medical.

Valuation range



Source: ABG Sundal Collier, Company data

Key risks

As always, there are several risks that investors should keep in mind. In addition to broad equity market risk factors – such as overall macroeconomic conditions, interest rate levels, investor sentiment shifts, and the potential impact of individual shareholder actions on the share price – we also emphasise the following:

Development risks

Isofol is highly dependent on the successful development of arfolitixorin, its only clinical-stage candidate. Currently, in Ph 1b/2, the company faces significant execution risk: promising signals must be validated through larger studies with statistically robust results and regulatory-acceptable endpoints. In addition, the multinational, multicenter nature of its trials exposes Isofol to patient recruitment challenges and potential timeline delays.

R&D risk

Isofol is advancing arfolitixorin with a known mechanism of action and safety profile at lower doses combined with a compelling rationale for superiority over leucovrin, which may help mitigate some development risk, but does not eliminate it. This was demonstrated with the previous failed Ph 3 AGENT trial. Drug development remains inherently complex, with uncertainties around clinical outcomes, safety, trial execution, and regulatory requirements. Key decisions are often made with limited data, and development timelines are prone to change.

Financial risk

Management expects the current financial runway will last into 2028, necessitating additional funding or partner revenues to sustain trials, scale manufacturing, and preparation for potential regulatory submissions – all of which may involve shareholder dilution given the structurally high costs of clinical development.

Partner risk

Isofol is very likely to require a partner at some point – at the commercialisation stage the latest – to support trials and/or market access. There is no guarantee that a solid partnership can be secured, and there are inherent risks involved in relying on external partners.

Regulatory risk

Isofol operates in a highly regulated environment shaped by evolving policies, market dynamics, and varying regional frameworks, all of which can significantly affect timelines and market access. Even with positive clinical outcomes, final approval may require prolonged regulatory interaction.

Commercial risk

Isofol's valuation and future revenues rest on arfolitixorin, creating significant single-product dependency. Although direct competition is currently limited beyond leucovorin, the therapeutic landscape remains dynamic, and potential novel therapeutics or delivery approaches could redefine standards of care and challenge arfolitixorin's position. Other folate-based approaches may also emerge, including Deflexifol, an all-in-one co-formulation of 5-FU and leucovorin being developed by Australian biotech FivepHusion, which is reportedly seeking an IPO in 2026. In Ph 1 trials, Deflexifol has been examined in paediatric patients with relapsed or refractory brain tumours as well as in metastatic colorectal cancer following failure of standard-of-care therapy. While Deflexifol represents one of few potential innovations within folate modulation and at present does not appear likely to materially impact arfolitixorin, such programmes nonetheless highlight the potential for increased competition over time.

Patent risk

There is intellectual property risk as the current patent protection for arfolitixorin expires in 2034/2037. Although a patent extension until 2043 currently looks very likely, and further additions may extend it until 2045, issues could arise that affect IP durability.

Appendix

Management

	**Petter Segelman Lindqvist** CEO Since 2024	**Education:** M.Sc. Economics and Business, Stockholm School of Economics, EM Lyon, France **Previous experience:** Senior positions at GlaxoSmithKline, AbbVie, and Sobi. Extensive expertise in strategic business development, partnerships, global commercialization, and product launches from clinical development to market introduction. Board experience from smaller pharmaceutical companies. **Shareholdings:** 579,663 shares; **Warrants:** 171,444 (TO1), 171,444 (TO2)
	**Margareta Hagman** CFO Since 2024	**Education:** M.Sc. Economics and Business, Örebro University **Previous experience:** EVP & CFO at BioGaia AB, CFO at Xbrane Biopharma AB and Ortivus AB, Board member of Infant Bacterial Therapeutics AB. Long experience from senior finance roles in listed and private pharma and biotech companies. **Shareholdings:** 126,664 shares; **Warrants:** 28,888 (TO1), 28,888 (TO2)
	**Roger Tell** CMO Since 2019	**Education:** MD, Specialist in Oncology, and PhD in Experimental Oncology, Karolinska Institutet **Previous experience:** VP Clinical Development at Aprea Therapeutics AB, International Clinical Project Director at Servier, Paris. Experience as oncologist and advisor to global biopharma companies including Eli Lilly, AstraZeneca, and Merck Serono. Board member of Vivesto AB. **Shareholdings:** 60,000 shares; **Warrants:** 20,000 (TO1), 20,000 (TO2)

Source: ABG Sundal Collier, Company data

Following the failed Ph 3 AGENT trial, Isofol underwent a major renewal of both its board and management team in 2024, with the aim of strengthening the company's strategic direction and ensuring a proper second chance for arfolitixorin. The new leadership combines long-standing experience from global pharmaceutical companies, financial expertise from listed biotech firms, and deep medical and scientific knowledge in oncology.

The company is led by CEO Petter Segelman Lindqvist, who brings broad experience from senior positions in the pharmaceutical industry, including at GlaxoSmithKline, AbbVie, and Sobi. His expertise spans strategic business development, global commercialisation, partnerships, and drug development, making him particularly well-suited to guide Isofol in its current stage of completing clinical studies and preparing for future market entry and growth. Since his appointment in 2024, Segelman Lindqvist has directed the company towards learning from the shortcomings of the AGENT trial, with the aim of optimising the dosing regimen for arfolitixorin.

Supporting him is CFO Margareta Hagman, who brings extensive experience from both listed and private pharma and biotech companies, including CFO positions at the Nasdaq-listed firms BioGaia, Xbrane Biopharma, and Ortivus. Her background demonstrates strong financial governance and strategic oversight, making her well suited to manage Isofol's financial operations and capital needs through clinical development and future growth.

CMO M.D. Roger Tell, has been part of Isofol since 2019 in different roles, including a period as acting CEO, and returned as CMO in 2024. He is a licenced oncologist with a PhD in experimental oncology from Karolinska Institutet and specialist training from Karolinska University Hospital. Dr. Tell has held senior positions at Aprea Therapeutics and Servier, and has advised Big Pharma companies such as Eli Lilly, AstraZeneca and Merck. His medical background and long-standing experience in clinical development provide Isofol with the expertise needed to drive arfolitixorin through its next stages of trial.

Board of Directors

	**Jan-Eric Österlund** Chairman of the Board Since 2024 (Previously 2023, 2012 – 2018)	**Education:** M.Sc. Engineering and MBA **Previous experience:** Extensive background in private equity and management buy-outs with focus on the life science sector. Former board member and chairman of listed companies in the US, Canada, Switzerland, and Sweden, as well as numerous private companies in life science, finance, pulp & paper, and engineering industries. Currently board member of Dicot AB. **Shareholdings:** 790,000 shares; **Warrants:** 50,000 (TO1), 50,000 (TO2)
	**Alain Herrera** Member of the Board Since 2024 (Previously 2018 - 2023)	**Education:** MD, PhD in Oncology/Hematology **Previous experience:** Former VP Global Oncology at Sanofi, Chairman of Chiron Therapeutics Europe, MD at Pierre Fabre Oncology Laboratories. Extensive oncology expertise, including involvement in FOLFOX development. Board member of IDDI, Nanobiotix, PDCline Pharma, Gustave Roussy-Transfert and Arcad Foundation. **Shareholdings:** 0 shares; **Warrants:** 0
	**Helena Taflin** Member of the Board Since 2024	**Education:** MD, PhD in Surgery **Previous experience:** Associate Professor in Surgery at Sahlgrenska University Hospital, responsible for the clinical trials unit in liver surgery. Research focus on folate metabolism in colorectal cancer with continued clinical studies. Board experience including the Swedish Surgical Society. **Shareholdings:** 250,000 shares; **Warrants:** 0
	**Lars Lind** Member of the Board Since 2024 (Previously 2012 – 2018, Chairman until 2012)	**Education:** M.Sc. Economics and Business **Previous experience:** Co-founder of Isofol, former Chairman of the Board until 2012, later board member until 2018 and member of the nomination committee since 2020. Long experience in business development as CEO, board member, and investor. **Shareholdings:** 559,105 shares; **Warrants:** 30,448 (TO1), 30,448 (TO2)
	**Sten Nilsson** Member of the Board Since 2024	**Education:** MD, PhD, Professor emeritus in oncology, Karolinska Institutet **Previous experience: Previous experience:** Specialist in oncology and nuclear medicine. Former Head of Urological Cancer at Uppsala and Karolinska. Led research programs at Karolinska focused on cancer therapies. Former chairman of multiple Swedish oncology associations. Co-founder of DEXtech Medical and Chairman of Rhenman & Partners Scientific Advisory Board. **Shareholdings:** 5,165 shares; **Warrants:** 688 (TO1), 688 (TO2)

Source: ABG Sundal Collier, Company data

Isofol's Board of Directors is chaired by Jan-Eric Österlund, who brings decades of experience in private equity and management buy-outs, with a particular focus on the life science sector. He has served as board member and chairman in listed companies across the US, Canada, Switzerland and Sweden, as well as in numerous private firms, giving him both international perspective and a deep familiarity with Isofol from his previous terms as chairman during 2012-2018. The board further benefits from the strong oncology expertise of Dr. Alain Herrera, who played a central role in the development and approval of oxaliplatin, which today is a cornerstone in colorectal cancer treatment, and who previously has held senior global positions at Sanofi and other oncology companies. Complementing this is Dr. Helena Taflin, Associate Professor of Surgery at Sahlgrenska University Hospital, with a research background in folate metabolism in colorectal cancer and responsibility for a clinical trials unit, ensuring a direct link to clinical practice and research. Founding member Lars Lind contributes long-standing knowledge of Isofol and experience as an entrepreneur and investor in corporate development. The board also includes Dr. Sten Nilsson, professor emeritus at Karolinska Institutet, a leading oncologist and researcher with extensive expertise in urological cancers, nuclear medicine, and cancer drug development, as well as active involvement in scientific advisory boards.

Advisory board

	**Heinz Josef Lenz** Advisory Board Member	**Education:** MD, FACP, Professor of Medicine and Preventive Medicine, Keck School of Medicine, University of Southern California, Los Angeles, USA **Previous experience:** Deputy Director at Norris Comprehensive Cancer Center. Expert in pharmacogenomics of GI cancers, early drug development and biomarkers. Author of 430+ publications. Chair/member of US oncology groups and mentor to 40+ fellows.
	**Sebastian Stintzing** Advisory Board Member	**Education:** MD, Professor of Medicine, Charité Universitätsmedizin Berlin **Previous experience:** Head of Division of Hematology, Oncology and Tumor Immunology at Charité, Berlin. Research focus on predictive and prognostic biomarkers in GI cancers. Extensive experience in national and international colorectal cancer study groups (AIO and others). Author of numerous publications on biomarker-driven treatment strategies.
	**Takayuki Yoshio** Advisory Board Member	**Education:** MD, National Cancer Center Hospital East, Japan **Previous experience:** Head of Gastroenterology and GI Oncology at National Cancer Center Hospital East, Japan. Specialist in chemotherapy for GI cancers and predictive/prognostic biomarkers. Has worked at leading international institutes including Mayo Clinic and Dana-Farber Cancer Institute. Author of 200+ publications. Active in ESMO and ASCO committees and Vice President of the Japanese Society of Medical Oncology.
	**Frits Peters** Advisory Board Member	**Education:** Professor emeritus at the Laboratory Medical Oncology, Amsterdam University Medical Center, professor at the Medical University of Gdansk, Poland, and honorary professor at Amity University in Noida, India **Previous experience:** Research focuses on development of new cancer treatments. Has been involved in several clinical studies of drug candidates that later gained market approvals for the treatment of cancer, such as gemcitabine, pemetrexed, S-1, TAS-102 and erlotinib.

Source: ABG Sundal Collier, Company data

Isofol's Scientific Advisory Board brings together internationally recognised leaders in oncology and gastrointestinal cancer research. Professor Sebastian Stintzing, Head of the Division of Haematology, Oncology, and Tumor Immunology at Charité Universitätsmedizin Berlin, provides expertise in predictive and prognostic biomarkers for colorectal cancer and has coordinated several international studies. Dr. Heinz-Josef Lenz, Associate Director for Clinical Sciences at USC Norris Comprehensive Cancer Center, has extensive expertise in early drug development and translation science, with over 430 peer-reviewed publications and a strong track record of mentoring oncology researchers. Dr. Takayuki Yoshino, Director of Gastroenterology and Gastrointestinal Oncology at the National Cancer Center Hospital East in Japan, contributes deep expertise in chemotherapy and biomarker research for gastrointestinal cancers and has contributed in shaping national and international treatment guidelines. Professor Frits Peters, professor emeritus at Amsterdam UMC, is a world-renowned expert on chemotherapy resistance and folate-based anticancer treatments, and has been involved in the development of several cancer drugs that have reached market approval.

Together, the Advisory Board combines clinical, translational, and regulatory expertise from leading institutions in Europe, US and Japan. Their diverse backgrounds and strong academic and clinical credentials provide Isofol with a strong network of guidance, ensuring that the development of arfolitixorin is aligned with the latest scientific progress, global treatment standards and future clinical needs.

Shareholders

Shareholders ownership

Owner	Number of shares	Capital share %
Christian Haglund*	29,605,286	10.53%
Avanza Pension	13,944,344	4.96%
Swedbank Försäkring	10,948,040	3.89%
Mats Franzén*	8,555,269	3.04%
Nordnet Pensionsförsäkring	8,544,119	3.04%
Hans Enocson	7,592,052	2.70%
Solasia Pharma K.K	6,249,996	2.22%
Göran Gustafsson*	5,781,293	2.06%
Urus AB	5,504,175	1.96%
Movestic Livförsäkring AB	4,590,644	1.63%

Source: ABG Sundal Collier, Company data

*Footnote: * Own shares, or related to a natural or legal person holding shares (directly and indirectly) and other financial instruments in the company.*

Insider ownership

Insider	Position	No. of shares	Warrants (series TO1)	Warrants (series TO2)
Jan-Eric Österlund	Chairman of the Board	790,000	50,000	50,000
Petter Segelman Lindqvist	CEO	579,663	171,444	171,444
Lars Lind	Member of the Board	559,105	30,448	30,448
Helena Taflin	Member of the Board	250,000		
Margareta Hagman	CFO	126,664	28,888	28,888
Roger Tell	CMO	60,000	20,000	20,000
Sten Nilsson	Member of the Board	5,165	688	688

Source: ABG Sundal Collier, Company data

Income Statement (SEKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Sales	0	0	0	0	0	0	0	0	0	66
COGS	0	0	0	0	0	0	0	0	0	0
Gross profit	0	0	0	0	0	0	0	0	0	66
Other operating items	-90	-166	-222	-203	-166	-42	-47	-59	-69	-81
EBITDA	**-90**	**-166**	**-222**	**-203**	**-166**	**-42**	**-47**	**-59**	**-69**	**-14**
Depreciation and amortisation	-0	-2	-2	-2	-2	-0	-0	0	0	0
of which leasing depreciation	0	0	0	0	0	0	0	0	0	0
EBITA	**-90**	**-168**	**-224**	**-204**	**-167**	**-42**	**-47**	**-59**	**-69**	**-14**
EO Items	0	0	0	0	0	0	0	0	0	0
Impairment and PPA amortisation	0	0	0	0	0	0	0	0	0	0
EBIT	**-90**	**-168**	**-224**	**-204**	**-167**	**-42**	**-47**	**-59**	**-69**	**-14**
Net financial items	7	6	-2	4	8	5	4	2	3	1
Pretax profit	**-83**	**-162**	**-226**	**-200**	**-160**	**-37**	**-43**	**-57**	**-67**	**-13**
Tax	0	0	0	0	0	0	0	0	0	0
Net profit	**-83**	**-162**	**-226**	**-200**	**-160**	**-37**	**-43**	**-57**	**-67**	**-13**
Minority interest	0	0	0	0	0	0	0	0	0	0
Net profit discontinued	0	0	0	0	0	0	0	0	0	0
Net profit to shareholders	**-83**	**-162**	**-226**	**-200**	**-160**	**-37**	**-43**	**-57**	**-67**	**-13**
EPS	-2.59	-5.04	-2.71	-1.24	-0.99	-0.23	-0.27	-0.26	-0.20	-0.04
EPS adj.	-2.59	-5.04	-2.71	-1.24	-0.99	-0.23	-0.27	-0.26	-0.20	-0.04
Total extraordinary items after tax	0	0	0	0	0	0	0	0	0	0
Leasing payments	0	0	0	0	0	0	0	0	0	0
Tax rate (%)	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*
Gross margin (%)	--	--	--	--	--	--	--	--	--	*100.0*
EBITDA margin (%)	--	--	--	--	--	--	--	--	--	*-21.7*
EBITA margin (%)	--	--	--	--	--	--	--	--	--	*-21.7*
EBIT margin (%)	--	--	--	--	--	--	--	--	--	*-21.7*
Pre-tax margin (%)	--	--	--	--	--	--	--	--	--	*-19.9*
Net margin (%)	--	--	--	--	--	--	--	--	--	*-19.9*
Growth Rates y-o-y	-	-	-	-	-	-	-	-	-	-
Sales growth (%)	--	--	--	--	--	--	--	--	--	--
EBITDA growth (%)	--	*85.5*	*33.4*	*-8.6*	*-18.3*	*-74.9*	*13.3*	*25.3*	*17.4*	*-79.2*
EBITA growth (%)	--	*86.9*	*33.2*	*-8.6*	*-18.1*	*-75.1*	*13.3*	*25.3*	*17.4*	*-79.2*
EBIT growth (%)	--	*86.9*	*33.2*	*-8.6*	*-18.1*	*-75.1*	*13.3*	*25.3*	*17.4*	*-79.2*
Net profit growth (%)	--	*94.5*	*39.9*	*-11.4*	*-20.2*	*-76.8*	*17.3*	*31.3*	*16.9*	*-80.2*
EPS growth (%)	--	*94.5*	*-46.2*	*-54.3*	*-20.2*	*-76.8*	*17.3*	*-4.2*	*-21.8*	*-81.9*
Profitability	-	-	-	-	-	-	-	-	-	-
ROE (%)	*-62.7*	*-87.4*	*-263.7*	*-104.1*	*-67.0*	*-26.5*	*-43.6*	*-62.4*	*-70.9*	*-17.2*
ROE adj. (%)	*-62.7*	*-87.4*	*-263.7*	*-104.1*	*-67.0*	*-26.5*	*-43.6*	*-62.4*	*-70.9*	*-17.2*
ROCE (%)	*-62.3*	*-86.7*	*-254.6*	*-103.6*	*-66.5*	*-26.1*	*-43.3*	*-62.0*	*-70.4*	*-17.1*
ROCE adj. (%)	*-62.3*	*-86.7*	*-254.6*	*-103.6*	*-66.5*	*-26.1*	*-43.3*	*-62.0*	*-70.4*	*-17.1*
ROIC (%)	*2,277.8*	*1,234.5*	*660.6*	*373.5*	*372.3*	*186.7*	*283.0*	*-263.5*	*-163.5*	*-585.9*
ROIC adj. (%)	*2,277.8*	*1,234.5*	*660.6*	*373.5*	*372.3*	*186.7*	*283.0*	*-263.5*	*-163.5*	*-585.9*
Adj. earnings numbers	-	-	-	-	-	-	-	-	-	-
EBITDA adj.	-90	-166	-222	-203	-166	-42	-47	-59	-69	-14
EBITDA adj. margin (%)	--	--	--	--	--	--	--	--	--	*-21.7*
EBITDA lease adj.	-90	-168	-224	-204	-167	-42	-47	-59	-69	-14
EBITDA lease adj. margin (%)	--	--	--	--	--	--	--	--	--	*-21.7*
EBITA adj.	-90	-168	-224	-204	-167	-42	-47	-59	-69	-14
EBITA adj. margin (%)	--	--	--	--	--	--	--	--	--	*-21.7*
EBIT adj.	-90	-168	-224	-204	-167	-42	-47	-59	-69	-14
EBIT adj. margin (%)	--	--	--	--	--	--	--	--	--	*-21.7*
Pretax profit Adj.	-83	-162	-226	-200	-160	-37	-43	-57	-67	-13
Net profit Adj.	-83	-162	-226	-200	-160	-37	-43	-57	-67	-13
Net profit to shareholders adj.	-83	-162	-226	-200	-160	-37	-43	-57	-67	-13
Net adj. margin (%)	--	--	--	--	--	--	--	--	--	*-19.9*

Source: ABG Sundal Collier, Company Data

Cash Flow (SEKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
EBITDA	-90	-166	-222	-203	-166	-42	-47	-59	-69	-14
Net financial items	7	6	-2	4	8	5	4	2	3	1
Paid tax	0	0	0	0	0	0	0	0	0	0
Non-cash items	-11	3	39	-5	-1	-4	-0	-0	0	0
Cash flow before change in WC	-94	-157	-185	-203	-159	-41	-44	-57	-67	-13
Change in working capital	2	10	25	15	-32	-11	2	1	0	0

Cash Flow (SEKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Operating cash flow	**-92**	**-147**	**-160**	**-188**	**-191**	**-53**	**-42**	**-56**	**-67**	**-13**
Capex tangible fixed assets	0	0	0	0	0	0	0	0	0	0
Capex intangible fixed assets	0	-0	0	0	0	0	0	0	0	0
Acquisitions and Disposals	0	0	0	0	0	0	0	0	0	0
Free cash flow	**-92**	**-148**	**-160**	**-188**	**-191**	**-52**	**-42**	**-56**	**-67**	**-13**
Dividend paid	0	0	0	0	0	0	0	0	0	0
Share issues and buybacks	5	0	151	452	0	0	0	84	47	0
Leasing liability amortisation	0	-1	-2	-2	-2	0	0	0	0	0
Other non-cash items	360	0	1	2	1	2	0	-81	38	40
Balance Sheet (SEKm)	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025e**	**2026e**	**2027e**
Goodwill	0	0	0	0	0	0	0	0	0	0
Other intangible assets	0	0	0	0	0	0	0	0	0	0
Tangible fixed assets	4	9	8	7	4	0	0	0	0	0
Right-of-use asset	0	0	0	0	0	0	0	0	0	0
Total other fixed assets	0	0	0	0	0	0	0	0	0	0
Fixed assets	4	9	8	7	4	0	0	0	0	0
Inventories	0	0	0	0	0	0	0	0	0	0
Receivables	10	9	11	12	18	2	2	2	2	2
Other current assets	1	1	12	3	1	0	0	82	42	2
Cash and liquid assets	273	127	116	379	191	138	96	43	61	88
Total assets	**289**	**146**	**148**	**401**	**213**	**141**	**98**	**126**	**105**	**92**
Shareholders equity	265	105	67	318	158	121	78	105	83	70
Minority	0	0	0	0	0	0	0	0	0	0
Total equity	**265**	**105**	**67**	**318**	**158**	**121**	**78**	**105**	**83**	**70**
Long-term debt	0	0	0	0	1	1	1	1	1	1
Pension debt	0	0	0	0	0	0	0	0	0	0
Convertible debt	0	0	0	0	0	0	0	0	0	0
Leasing liability	0	3	1	0	2	0	0	0	0	0
Total other long-term liabilities	0	0	0	0	0	0	0	0	0	0
Short-term debt	0	0	0	0	0	0	0	0	0	0
Accounts payable	12	10	21	18	8	2	2	2	2	2
Other current liabilities	11	29	59	65	44	16	18	19	19	19
Total liabilities and equity	**289**	**146**	**148**	**401**	**213**	**141**	**98**	**126**	**105**	**92**
Net IB debt	-273	-124	-115	-379	-187	-137	-96	-42	-61	-88
Net IB debt excl. pension debt	-273	-124	-115	-379	-187	-137	-96	-42	-61	-88
Net IB debt excl. leasing	-273	-127	-116	-379	-190	-137	-96	-42	-61	-88
Capital employed	265	108	68	318	162	122	79	106	84	71
Capital invested	-8	-19	-48	-61	-29	-16	-18	62	22	-18
Working capital	-12	-29	-57	-68	-33	-16	-18	62	22	-18
EV breakdown	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Market cap. diluted (m)	22	22	58	112	112	112	112	154	230	251
Net IB debt adj.	-273	-124	-115	-379	-187	-137	-96	-42	-61	-88
Market value of minority	0	0	0	0	0	0	0	0	0	0
Reversal of shares and participations	0	0	0	0	0	0	0	0	0	0
Reversal of conv. debt assumed equity	-	-	-	-	-	-	-	-	-	-
EV	**-251**	**-102**	**-57**	**-267**	**-75**	**-25**	**17**	**111**	**169**	**163**
Total assets turnover (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	67.5
Working capital/sales (%)	--	--	--	--	--	--	--	--	--	3.7
Financial risk and debt service	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net debt/equity (%)	-103.0	-118.4	-172.7	-119.2	-118.2	-113.0	-122.5	-40.5	-73.0	-125.0
Net debt / market cap (%)	-1,224.1	-557.2	-198.3	-337.7	-166.8	-122.2	-85.0	-27.6	-26.4	-34.9
Equity ratio (%)	91.8	71.6	44.9	79.3	74.2	86.4	79.2	83.0	79.5	76.5
Net IB debt adj. / equity (%)	-103.0	-118.4	-172.7	-119.2	-118.2	-113.0	-122.5	-40.5	-73.0	-125.0
Current ratio	12.08	3.53	1.75	4.75	4.05	7.70	4.96	6.05	5.02	4.39
EBITDA/net interest	13.3	26.7	88.9	48.1	21.5	9.0	12.7	28.4	25.5	11.8
Net IB debt/EBITDA (x)	3.0	0.7	0.5	1.9	1.1	3.3	2.0	0.7	0.9	6.1
Net IB debt/EBITDA lease adj. (x)	3.0	0.8	0.5	1.9	1.1	3.3	2.0	0.7	0.9	6.1
Interest coverage	129.3	882.6	89.4	1,191.0	3,629.8	37,062.0	--	57,079.0	--	--

Source: ABG Sundal Collier, Company Data

Share Data (SEKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Actual shares outstanding	32	32	83	162	162	162	162	221	331	361
Actual shares outstanding (avg)	32	32	83	162	162	162	162	221	331	361

Share Data (SEKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
All additional shares	0	0	51	78	0	0	0	60	110	30
Issue month	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Assumed dil. of shares from conv.	0	0	0	0	0	0	0	0	0	0
As. dil. of shares from conv. (avg)	0	0	0	0	0	0	0	0	0	0
Conv. debt not assumed as equity	0	0	0	0	0	0	0	0	0	0
No. of warrants	0	0	0	0	0	0	0	0	0	0
Market value per warrant	0	0	0	0	0	0	0	0	0	0
Dilution from warrants	0	0	0	0	0	0	0	0	0	0
Issue factor	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Actual dividend per share	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Reported earnings per share	-2.60	-5.04	-3.07	-1.59	-0.99	-0.23	-0.27	0.00	0.00	0.00

Source: ABG Sundal Collier, Company Data

Valuation and Ratios (SEKm)	2018	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Shares outstanding adj.	32	32	83	162	162	162	162	221	331	361
Diluted shares adj.	32	32	83	162	162	162	162	221	331	361
EPS	-2.59	-5.04	-2.71	-1.24	-0.99	-0.23	-0.27	-0.26	-0.20	-0.04
Dividend per share	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EPS adj.	-2.59	-5.04	-2.71	-1.24	-0.99	-0.23	-0.27	-0.26	-0.20	-0.04
BVPS	8.27	3.27	0.80	1.97	0.98	0.75	0.48	0.47	0.25	0.19
BVPS adj.	8.26	3.27	0.80	1.97	0.98	0.75	0.48	0.47	0.25	0.19
Net IB debt/share	-8.51	-3.88	-1.38	-2.35	-1.16	-0.85	-0.59	-0.19	-0.18	-0.24
Share price	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70	0.70
Market cap. (m)	22	22	58	112	112	112	112	154	230	251
Valuation	-	-	-	-	-	-	-	-	-	-
P/E (x)	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
EV/sales (x)	--	--	--	--	--	--	--	--	--	2.5
EV/EBITDA (x)	2.8	0.6	0.3	1.3	0.5	0.6	-0.4	-1.9	-2.4	-11.3
EV/EBITA (x)	2.8	0.6	0.3	1.3	0.4	0.6	-0.4	-1.9	-2.4	-11.3
EV/EBIT (x)	2.8	0.6	0.3	1.3	0.4	0.6	-0.4	-1.9	-2.4	-11.3
Dividend yield (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FCF yield (%)	-414.7	-661.8	-276.4	-167.7	-170.0	-46.7	-37.4	-36.5	-29.0	-5.3
Le. adj. FCF yld. (%)	-414.7	-667.5	-279.1	-169.1	-171.5	-46.7	-37.4	-36.5	-29.0	-5.3
P/BVPS (x)	0.08	0.21	0.87	0.35	0.71	0.93	1.44	1.47	2.76	3.58
P/BVPS adj. (x)	0.08	0.21	0.87	0.35	0.71	0.93	1.44	1.47	2.76	3.58
P/E adj. (x)	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
EV/EBITDA adj. (x)	2.8	0.6	0.3	1.3	0.5	0.6	-0.4	-1.9	-2.4	-11.3
EV/EBITA adj. (x)	2.8	0.6	0.3	1.3	0.4	0.6	-0.4	-1.9	-2.4	-11.3
EV/EBIT adj. (x)	2.8	0.6	0.3	1.3	0.4	0.6	-0.4	-1.9	-2.4	-11.3
EV/CE (x)	-0.9	-0.9	-0.8	-0.8	-0.5	-0.2	0.2	1.1	2.0	2.3
Investment ratios	-	-	-	-	-	-	-	-	-	-
Capex/sales (%)	--	--	--	--	--	--	--	--	--	0.0
Capex/depreciation	0.0	0.2	0.0	0.0	0.0	-2.7	0.0	--	--	--
Capex tangibles / tangible fixed assets	0.0	0.0	0.0	0.0	0.0	0.0	--	--	--	--
Capex intangibles / definite intangibles	0.0	344.7	--	--	--	--	--	--	--	--
Depreciation on intang / def. intang	0.0	0.0	--	--	--	--	--	--	--	--
Depreciation on tangibles / tangibles	4.0	16.6	21.4	23.6	40.9	1,233.3	--	--	--	--

Source: ABG Sundal Collier, Company Data

Analyst Certification

We, ABGSC Healthcare Research and Georg Tigalonov-Bjerke, analyst(s) with ABG Sundal Collier ASA , ABG Sundal Collier Denmark, filial af ABG Sundal Collier ASA, Norge, ABG Sundal Collier AB and/or ABG Sundal Collier Limited (hereinafter collectively referred to as “ABG Sundal Collier”), and the author(s) of this report, certify that not withstanding the existence of any such potential conflicts of interests referred to below, the views expressed in this report accurately reflect my/our personal view about the companies and securities covered in this report. I/We further certify that I/We has/have not been, nor am/are or will be, receiving direct or indirect compensation related to the specific recommendations or views contained in this report.

This report is produced by ABG Sundal Collier, which may cover companies either in accordance with legal requirements designed to promote the independence of investment research (“independent research”) or as commissioned research. Commissioned research is paid for by the subject company. As such, commissioned research is deemed to constitute an acceptable minor non-monetary benefit (i.e., not investment research) as defined in MiFID II.

Analyst valuation methods

ABG Sundal Collier analysts may publish valuation ranges for stocks covered under Company Sponsored Research. These valuation ranges rely on various valuation methods. One of the most frequently used methods is the valuation of a company by calculation of that company's discounted cash flow (DCF). Another valuation method is the analysis of a company's return on capital employed relative to its cost of capital. Finally, the analysts may analyse various valuation multiples (e.g. the P/E multiples and the EV/EBITDA multiples) relative to global industry peers. In special cases, particularly for property companies and investment companies, the ratio of price to net asset value is considered. Valuation ranges may be changed when earnings and cash flow forecasts are changed. They may also be changed when the underlying value of a company's assets changes (in the cases of investment companies, property companies or insurance companies) or when factors impacting the required rate of return change.

Expected updates

ABGSC has no fixed schedule for updating its research reports. Unless expressly stated otherwise, ABGSC expects (but does not undertake) to issue updates when considered necessary by the research department, for example following the publication of new figures or forecasts by a company or in the event of any material news on a company or its industry.

Important Company Specific Disclosure

The following disclosures relate to the relationship between ABG Sundal Collier and its affiliates and the companies covered by ABG Sundal Collier referred to in this research report.

Unless disclosed in this section, ABG Sundal Collier has no required regulatory disclosures to make in relation to an ownership position for the analyst(s) and members of the analyst's household, ownership by ABG Sundal Collier, ownership in ABG Sundal Collier by the company(ies) to whom the report(s) refer(s) to, market making, managed or co-managed public offerings, compensation for provision of certain services, directorship of the analyst, or a member of the analyst's household, or in relation to any contractual obligations to the issuance of this research report.

ABG Sundal Collier has undertaken a contractual obligation to issue this report and receives predetermined compensation from the company covered in this report.

A redacted version of this research report has been sent to Isofol Medical for the purposes of checking its factual content only. Any changes made have been based on factual input received.

Within the last 12 months, ABG Sundal Collier ASA, ABG Sundal Collier Denmark, filial af ABG Sundal Collier ASA, Norge and/or ABG Sundal Collier AB has received compensation for Corporate Finance services from Isofol Medical.

ABG Sundal Collier is not aware of any other actual, material conflicts of interest of the analyst or ABG Sundal Collier of which the analyst knows or has reason to know at the time of the publication of this report.

Production of report: 1/15/2026 06:10.

All prices are as of market close on 14 January, 2026 unless otherwise noted.

Disclaimer

This report has been prepared by ABG Sundal Collier ASA, ABG Sundal Collier Denmark, filial af ABG Sundal Collier ASA, Norge, ABG Sundal Collier AB and/or ABG Sundal Collier Limited and any of their directors, officers, representatives and employees (hereinafter collectively referred to as “ABG Sundal Collier”). This report is not a product of any other affiliated or associated companies of any of the above entities.

This report is provided solely for the information and use of professional investors, who are expected to make their own investment decisions without undue reliance on this report. The information contained herein does not apply to, and should not be relied upon by, retail clients. This report is for distribution only under such circumstances as may be permitted by applicable law. Research reports prepared by ABG Sundal Collier are for information purposes only. The recommendation(s) in this report is (are) has/have no regard to specific investment objectives and the financial situation or needs of any specific recipient. ABG Sundal Collier and/or its affiliates accepts no liability whatsoever for any losses arising from any use of this report or its contents. This report

is not to be used or considered as an offer to sell, or a solicitation of an offer to buy. The information herein has been obtained from, and any opinions herein are based upon, sources believed reliable, but ABG Sundal Collier and/or its affiliates make no representation as to its accuracy or completeness and it should not be relied upon as such. All opinions and estimates herein reflect the judgment of ABG Sundal Collier on the date of this report and are subject to change without notice. Past performance is not indicative of future results.

The compensation of our research analysts is determined exclusively by research management and senior management, but not including investment banking management. Compensation is not based on specific investment banking revenues, however, it is determined from the profitability of the ABG Sundal Collier group, which includes earnings from investment banking operations and other business. Investors should assume that ABG Sundal Collier ASA, ABG Sundal Collier Denmark, filial af ABG Sundal Collier ASA, Norge and/or ABG Sundal Collier AB is seeking or will seek investment banking or other business relationships with the companies in this report.

The research analyst(s) responsible for the preparation of this report may interact with trading desk and sales personnel and other departments for the purpose of gathering, synthesizing and interpreting market information. From time to time, ABG Sundal Collier and/or its affiliates and any shareholders, directors, officers, or employees thereof may (I) have a position in, or otherwise be interested in, any securities directly or indirectly connected to the subject of this report, or (II) perform investment banking or other services for, or solicit investment banking or other services from, a company mentioned in this report. ABG Sundal Collier and/or its affiliates rely on information barriers to control the flow of information contained in one or more areas of ABG Sundal Collier, into other areas, units, groups or affiliates of ABG Sundal Collier.

Norway: ABG Sundal Collier ASA is regulated by the Financial Supervisory Authority of Norway (Finanstilsynet)

Denmark: ABG Sundal Collier Denmark, filial af ABG Sundal Collier ASA, Norge, is regulated by the Financial Supervisory Authority of Norway (Finanstilsynet) and the Danish Financial Supervisory Authority (Finanstilsynet)

Sweden: ABG Sundal Collier AB is regulated by the Swedish Financial Supervisory Authority (Finansinspektionen)

UK: This report is a communication made, or approved for communication in the UK, by ABG Sundal Collier Limited, authorised and regulated by the Financial Conduct Authority in the conduct of its business.

US: This report is being distributed in the United States (U.S.) in accordance with FINRA Rule 1220 by ABG Sundal Collier Inc., an SEC registered broker-dealer and a FINRA/SIPC member which accepts responsibility for its content and its compliance with FINRA Rule 2241. Research reports distributed in the U.S. are intended solely for “major U.S. institutional investors,” and “U.S. institutional investors” as defined under Rule 15a-6 of the Securities Exchange Act of 1934 and any related interpretive guidance and no-action letters issued by the Staff of the U.S. Securities and Exchange Commission (“SEC”) collectively (“SEC Rule 15a-6”). Each major U.S. institutional investor and U.S. institutional investor that receives a copy of this research report, by its acceptance of such report, represents that it agrees that it will not distribute this research report to any other person. This communication is only intended for major U.S. institutional investors and U.S. institutional investors. Any person which is not a major U.S. institutional investor, or a U.S. institutional investor as covered by SEC Rule 15a-6 must not rely on this communication. The delivery of this research report to any person in the U.S. is not a recommendation to effect any transactions in the securities discussed herein, or an endorsement of any opinion expressed herein. Any major U.S. institutional investor or U.S. institutional investor receiving this report which wishes to effect transactions in any securities referred to herein should contact ABG Sundal Collier Inc., not its affiliates. Further information on the securities referred to herein may be obtained from ABG Sundal Collier Inc., on request.

Singapore: This report is distributed in Singapore by ABG Sundal Collier Pte. Ltd, which is not licensed under the Financial Advisors Act (Chapter 110 of Singapore). In Singapore, this report may only be distributed to institutional investors as defined in Section 4A(1)(c) of the Securities and Futures Act (Chapter 289 of Singapore) (“SFA”), and should not be circulated to any other person in Singapore.

Canada: This report is being distributed by ABG Sundal Collier ASA in Canada pursuant to section 8.25 of National Instrument 31-103 or an equivalent provision and has not been tailored to the needs of any specific investor in Canada. The information contained in this report is not, and under no circumstances is to be construed as, a prospectus, an advertisement, a public offering or an offer to sell the securities described herein, in Canada or any province or territory thereof. No securities commission or similar regulatory authority in Canada has reviewed or considered this report, the information contained herein or the merits of the securities described herein and any representation to the contrary is an offence. Under no circumstances is this report to be construed as an offer to sell such securities or as a solicitation of an offer to buy such securities in any jurisdiction of Canada. Any offer or sale of the securities described herein in Canada may only be made in accordance with applicable securities laws and only by a dealer properly registered under such securities laws, or alternatively, pursuant to an applicable dealer registration exemption, in the Canadian jurisdiction in which such offer or sale is made.

Additional information available upon request. If reference is made in this report to other companies and ABG Sundal Collier provides research coverage for those companies, details regarding disclosures may be found on our website www.abgsc.com.

Norway
Ruseløkkveien 26, 8th floor
0251 Oslo
Norway
Tel: +47 22 01 60 00
Fax: +47 22 01 60 60

Denmark
Forbindelsesvej 12,
2100 Copenhagen
Denmark
Tel: +45 35 46 61 00
Fax: +45 35 46 61 10

Sweden
Regeringsgatan 25, 8th floor
111 53 Stockholm
Sweden
Tel: +46 8 566 286 00
Fax: +46 8 566 286 01

United Kingdom
10 Paternoster Row, 5th floor
London EC4M 7EJ
UK
Tel: +44 20 7905 5600
Fax: +44 20 7905 5601

USA
140 Broadway, Suite 4604
New York, NY 10005
USA
Tel. +1 212 605 3800
Fax. +1 212 605 3801

Singapore
10 Collyer Quay
Ocean Financial Center
#40-07, Singapore 049315
Tel +65 6808 6082

Germany
Schillerstrasse 2, 5. OG
60313 Frankfurt
Germany
Tel +49 69 96 86 96 0
Fax +49 69 96 86 96 99

Switzerland
ABG Sundal Collier AG
Representative Office
Schwanenplatz 4
6004 Lucerne
Switzerland
Tel +41 79 502 33 39