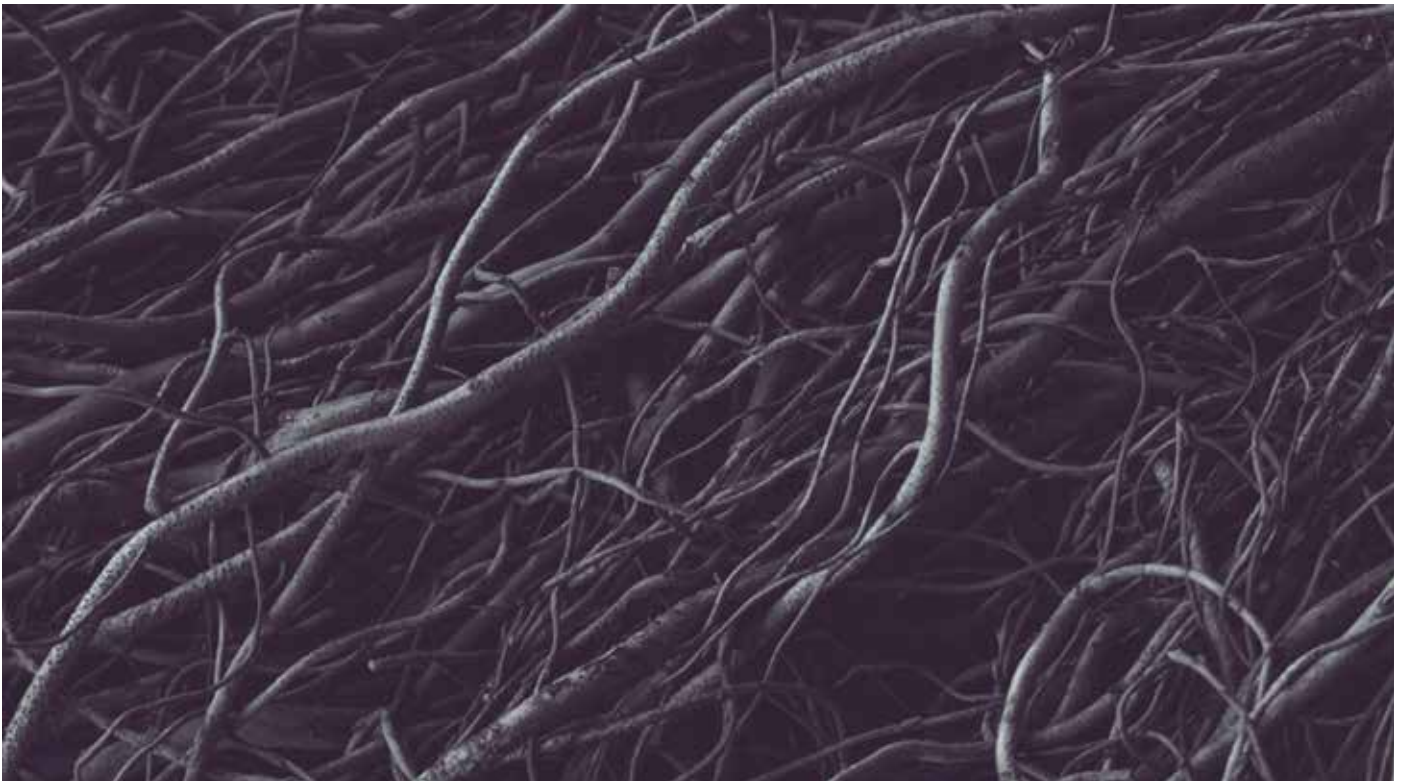


DICOT

**SUMMARY OF
INTERIM REPORT
January – June 2021**

Dicot AB (publ) 559006–3490



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Summary of Interim Report January – June 2021

Second quarter 2021

- Net sales amounts to **KSEK 33** (0)
- Earnings for the period amounts to **KSEK -5,503** (-3,152)
- Earnings per share **-0.09** (-0.18)

January – June 2021

- Net sales amounts to **KSEK 69** (0)
- Earnings for the period amounts to **KSEK -13,971** (-9,724)
- Earnings per share **-0.26** (-0.57)

Significant events during the period

- During January initiates toxicology studies before applying for clinical trials. In accordance with Dicot's development plan, the company will move on to toxicological studies that are expected to be completed in the autumn of 2021.
- In February Dicot announces that Board professional Eva Sjökvist Saers was elected as new chairman of Dicot
- Dicot starts production of the drug candidate LIB-01 for human trials during March.
- During March Dicot initiated studies in animals with erectile dysfunction. In earlier studies, the company's drug candidate has only been tested on healthy animals.
- Dicot receives SEK 17.4 million (before issue costs) through the exercise of warrants of the TO2 series with a utilization rate of 97%.
- At Dicot's Annual General Meeting on May 25, Per-Göran Gillberg was elected as a regular board member.
- In June, Dicot announces that Elin Trampe has been hired as Chief Operating Officer and vice president. She starts her position 1 September.
- June 8, Dicot signs agreements with two leading companies in formulation development, one in the US and one in England. The companies will evaluate in which way LIB-01 can best be administered to patients.

Significant events after the end of the period

- At the end of August, Dicot releases results from its latest animal study showing that the drug candidate LIB-01 has longer effect on erectile function than existing drugs on market today, and that the effect increases over time.

Dicot AB in Brief

Dicot is developing the drug candidate LIB-01, which is intended to be a potency drug to better treat erectile dysfunction and premature ejaculation. The ambition is to create a drug with significantly longer effect and fewer side effects, compared to those on the market. Today, at least 500 million men suffer from these sexual dysfunctions and the market is valued at SEK 50 billion.

ERECTILE DYSFUNCTION and premature ejaculation are often perceived as a significant problem for the man and his partner, and lead ever so often to depression, anxiety and relationship problems. Only 25 percent of Swedish men with erection problems state that they have a satisfactory sexual life and for men with premature ejaculation, the proportion is 35 percent.¹

GLOBAL SALES OF TREATMENTS for sexual dysfunction mainly include erectile dysfunction and premature ejaculation and were in 2018 estimated at around USD 6 billion with a growth of 1 percent per year for erectile dysfunction and 8 percent for premature ejaculation.

THE MOST COMMON DRUGS for erectile dysfunction, PDE5 inhibitors such as Viagra, came in the late 1990s. PDE5 inhibitors have limitations in the form of short duration of action, which leads to having to plan sex in advance. The drugs often have side effects such as headaches, dizziness and nausea. In addition, a large proportion state that the drugs do not work satisfactorily. This is especially true for diabetic patients and other patient groups with underlying diseases.

THERE ARE CURRENTLY few effective treatments for premature ejaculation on the market and patients have been reported to experience side effects such as dizziness, diarrhea and difficulty sleeping.

THERE IS A CLEAR NEED for new, modern drugs with a longer duration of action, fewer side effects and which also work for people with underlying diseases.

THE DEVELOPMENT of the drug candidate LIB-01 is planned to be conducted under own auspices until phase 2 studies. Thereafter, Dicot's intention is to form strategic alliances, or alternatively carry out a trade sale, with larger, established pharmaceutical companies to be able to introduce LIB-01 on the world market.

For more information, please visit www.dicot.se.

¹ Fugl-Meyer, K: Manlig sexuell dysfunktion: inte bara en fråga om potens. Läkartidningen. 2009 Sep 23-29;106(39):2453-9.

Statement from the CEO

After a winter and spring with intensive development work, we recently got the results from our effect studies performed in collaboration with Pelvipharm in France. The studies show that the effect of LIB-01 lasts for at least seven days. This is a major breakthrough for Dicot.

DICOT'S AMBITION is to develop a leading drug to treat erectile dysfunction. This means that our future product needs to display unique features which are better than the treatments available today, where long-term effect perhaps is the foremost.

PROFESSOR JARL WIKBERG that founded Dicot in 2016 showed in his early animal studies that LIB-01 has longer effect than treatments on the market today, up to 14 days. This would eliminate the planning of sexual activities as compared to existing treatments having a relatively short-term effect .

IN ORDER TO GET APPROVAL TO START CLINICAL TRIALS data from the early academic research needs to be complemented with data from well-established and validated animal models. During the spring, we have therefore continued to work with Pelvipharm and can now report truly gratifying results. The effect of LIB-01 lasts for at least seven days and increases up until day seven. This is a major breakthrough for Dicot in the development of a new drug with a long duration of action. Professor Francois Giuliano, who is co-founder of Pelvipharm and an international authority in the field, deems that the results of these studies clearly indicate that LIB-01 works.

IT'S AN HONOR FOR ME to continue the work of Professor Jarl Wikberg and it is gratifying that the results we now present is consistent with his early academic research. The other ongoing study at Pelvipharm, performed in animals with established erectile dysfunction, will be reported during the autumn. In addition to this, further studies will be started to evaluate more doses as well as the optimal conditions for long-term effect.. Overall, this contributes to our documentation needed to apply for starting a clinical Phase 1 study which is expected to start during next year.

"The studies show that the effect of LIB-01 lasts for at least seven days. This is a major breakthrough."

DICOT NOW REINFORCES THE COMPETENCE within the company and has recruited Elin Trampe as COO and vice President. She starts in her new role 1st of September and will lead the development of the drug candidate together with our present team. Elin has a broad experience and relevant qualifications, most recently from the role as CTO at Oasmia Pharmaceutical in Uppsala. During the previous quarter, the board was also expanded with one member: Dr Per-Göran Gillberg who has extensive experience in Pharmacology and Drug Development.

WITH THE FANTASTIC RESULTS from the collaboration with Pelvipharm and the reinforced team backing us up, I have great faith in the continued work this autumn.



A handwritten signature in black ink, appearing to read 'G. Beijer', written in a cursive style.

Göran Beijer, CEO
Uppsala in August 2021

Income statement

KSEK	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Full year 2020
Net sales	33	-	69	-	21
Net sales	33	-	69		21
Operating expenses					
Other external expenses	-4,888	-2,549	-12,713	-8,488	-15,086
Personnel	-710	-602	-1,330	-1,227	-2,434
Depreciation	-	-	-	-	-2
Other operating expenses	-15	-	-73	-	-43
Operating expenses	-5,613	-3,151	-14,116	-9,715	-17,565
Operating profit/loss	-5,580	-3,151	-14,047	-9,715	-17,544
Profit/loss from financial items	-3	-1	-4	-9	3
Earnings for the period	-5,583	-3,152	-14,051	-9,724	-17,541

Balance sheet

KSEK	30 June 2021	30 June 2020	31 Dec 2020
Assets			
Non-current assets			
Financial assets	36	64	36
Total non-current assets	36	64	36
Current assets			
Other current receivables	2,011	19,794	1,247
Cash and bank balances	22,711	2,538	20,327
Total current assets	24,722	22,332	21,574
Total assets	24,758	22,396	21,610
Equity and liabilities			
Share capital	22,385	20,278	19,659
Current liabilities	2,373	2,118	1,951
Total equity and liabilities	24,758	22,396	21,610

Cash flow statement in summary

KSEK	Jan-Jun 2021	Jan-Jun 2020	Full year 2020
Cash flows from operating activities	-14,393	-26,886	-16,257
Cash flow from investing activities	-	-	-38
Cash flow from financing activities	16,777	17,201	24,399
Change in cash and cash equivalents	2,384	-9,685	8,104
Cash and cash equivalents at the start of the period	20,327	12,223	12,223
Cash and cash equivalents at the end of the period	22,711	2,538	20,327

Change in equity

KSEK	Share Capital	Share premium reserve	Accumulated profit/loss	Total Equity
Opening balance January 1 2020	2,045	32,219	-21,463	12,801
Warrants program		4		4
Rights issue	2,727	19,087		21,814
Issue costs		-4,617		-4,617
Earnings for the period			-9,724	-9,724
Closing balance June 30 2020	4,772	46,693	-31,187	20,278
Opening balance January 1 2021	5,458	53,205	-39,004	19,659
Warrants program				-
Rights issue	2,645	14,709		17,354
Issue costs		-577		-577
Earnings for the period			-14,051	-14,051
Closing balance June 30 2021	8,103	67,337	-53,055	22,385

Earnings per share

KSEK	Jan-Jun 2021	Jan-Jun 2020	Full year 2020
Earning for the period	-14,051	-9,724	-17,541
Number of shares	64,831,745	38,175,032	43,668,398
Average number of shares	54,378,920	16,966,681	28,589,473
Earnings per share, SEK	-0.26	-0.57	-0.61