

# DICOT

## SUMMARY OF INTERIM REPORT JANUARY – SEPTEMBER 2020

Dicot AB (publ)

559006-3490



# Summary of Interim Report

January – September 2020

Dicot AB (publ) 559006–3490

---

## Third Quarter 2020

- Net sales amounts to KSEK 0 (75)
- Earnings for the period amounts to KSEK -3,629 (-3,183).
- Earnings per share -0.10 (-0.41) SEK

## January – September 2020

- Net sales amounts to KSEK 0 (75)
- Earnings for the period amounts to KSEK -13,353 (-9,866).
- Earnings per share -0.57 (-1.27)

---

## Significant events during the period

- May 2020. Dicot shares the report obtained from a retrospective study concerning the folk medicine use of traditional natural remedies in the treatment of sexual dysfunctions in Madagascar.
- May 2020. Dicot announces that the Corona pandemic has led to some shipments being delayed, which has led to the company losing a few months in the project's schedule.
- June 2020. At the Annual General Meeting, Claes Post was approved as a Board member.
- June 2020. Strengthening of Dicot's website. Dicot opens up a channel to the market and specifically to clinical issues through the opportunity to ask questions directly on the website about sexual health and sexual function. As a step in reaching the international market for sexual dysfunction, an English version of the website has also been launched.
- June 2020. Dicot's rights issue was heavily oversubscribed (subscribed to 326 percent). Through the rights issue, the company received SEK 21.8 million before issue costs (SEK 4.6 million).
- September 2020. Dicot reports positive results from study with the drug candidate Libiguin® for the treatment of sexual dysfunctions.
- September 2020. The subscription price for the exercise of warrants of series TO1 2019 has been set to 1.42 after adjustment of the terms.

## Significant events after the end of the period

- October 2020. Dicot together with its partner in South Africa, Parceval Ltd, has initiated a partnership with the BioInnovation Africa (BIA) to ensure the long-term supply of raw material for Dicot's drug candidate.
- October 2020. Dicot receive approximately 7.6 MSEK through the warrants of series TO1 2019.
- November 2020. Dicot has produced its second large-scale batch of the drug substance for Libiguin®. The production has improved significantly, 2.5 times as much drug substance has been produced.
- November 2020. Eva Sjökvist Saers is co-oped to Dicot's board of directors and Jarl Wikberg resigns.

## About Dicot AB



---

*Dicot is a pharmaceutical company focused on drug discovery and the development of novel lifestyle drugs to enrich patients' lives. The Company develops and manufactures medicines for the treatment of erectile dysfunction and premature ejaculation. The company's lead product, Libiquin<sup>®</sup>, for the treatment of sexual dysfunctions, is in a stage of pre-clinical development. Dicot is listed on the Spotlight Stock Market and has approximately 1,600 shareholders.*

---

Project therapy area:

- Erectile dysfunction (MED)
- Premature ejaculation (PE)

Global sales of drugs for sexual dysfunction mainly include erectile dysfunction and premature ejaculation and as of 2018 were estimated at approximately USD 6.0 billion, with a growth of 1 percent per year between 2018 and 2022.<sup>1</sup>

There is a clear need for new drugs in the treatment of erectile dysfunction and premature ejaculation, among other things the requirement of current treatments to plan sexual activity, disruptive side effects, lack of effectiveness in certain patient groups and high costs for the drug. This is especially true for the treatment of erectile dysfunction but also premature ejaculation. Dicot's drug candidate Libiquin<sup>®</sup> is intended to be marketed for the treatment of both erectile dysfunction and premature ejaculation, individually as well as in combination. As far as the Company is aware, treatment of both conditions at the same time, as a preparation would be unique.

Erectile dysfunction and premature ejaculation are often experienced as significant problems for the man and his partner, not only because of direct impaired sexual ability but also due to difficulties that arise in couples relationship. In the Swedish population, 58 percent of men between the ages of 16–84 are satisfied with their sexual life, while sexual satisfaction is much lower in men with a sexual dysfunction. 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.<sup>2</sup>

---

<sup>1</sup> Arizton Erectile Dysfunction Market – Global Outlook and Forecast '18-'23 [2018]

<sup>2</sup> 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

We continue the work of further developing our drug candidate. In September, the report from the first study together with Pelvipharm was presented. The results show that our drug candidate Libiguin® gives a significant and dose-dependent effect on erection compared to placebo at all measured parameters in Pelvipharm's established animal model. In other words, very promising results. The work is now continuing, and several studies will be carried out during the year.

The French company Pelvipharm has since the 90s worked with 170 different projects in the field of sexual dysfunction. They have several animal models with which we can jointly build a preclinical platform to establish treatment times and doses for our drug candidate. Dicot's primary indication is erectile dysfunction, and our second indication is premature ejaculation. The mapping of the mechanism of action is ongoing in parallel via the various studies that are being carried out and results will come in different stages in the future.



During the autumn, another collaboration with Dicot's partner in South Africa, Parceval Ltd, was initiated. The Bio-Innovation Africa \* project aims to ensure sustainable and long-term delivery of raw materials for Dicot's drug candidate. Bio-Innovation Africa, funded by the German Federal Ministry of Economic Cooperation and Development, will promote sustainable and mutually beneficial business contacts between Europe and Africa. This is done by following high ethical, social, and environmental standards in the use of African natural resources.

Dicot uses plant parts from trees as a raw material in the drug candidate Libiguin®. In collaboration with Bio-Innovation Africa, Dicot will be assisted in mapping the distribution area of trees in South Africa. The collaboration also provides an opportunity to evaluate a relocation of the extraction process for the raw material to South Africa to get closer to the source of the raw material. All this will promote the possibility of conserving biodiversity, ensuring a sustainable supply of raw materials, and creating new jobs in South Africa in accordance with the objectives of Agenda 2030. The project will run until mid-2022.

I want to thank our shareholders for their trust and patience. Together with Pelvipharm, we are now building the foundation for the preclinical studies and ensuring our supply of material throughout the chain - from raw material to pharmaceutical substance. The goal is to reach clinical studies with a solid foundation and a successful development.

*\*within Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)*

Uppsala in November 2020, Göran Beijer, CEO

## Income Statement

KSEK	Jul-Sept	Jul-Sept	Jan-Sept	Jan-Sept	Full year
	2020	2019	2020	2019	2019
<b>Net sales</b>	0	75	0	75	631
<b>Net sales</b>	<b>0</b>	<b>75</b>	<b>0</b>	<b>75</b>	<b>631</b>
<b>Operating expenses</b>					
Other operating expenses	-3 043	-2 624	-11 537	-8 248	-11 604
Personnel	-586	-575	-1 813	-1 634	-2 347
<b>Operating expenses</b>	<b>-3 629</b>	<b>-3 199</b>	<b>-13 350</b>	<b>-9 882</b>	<b>-13 951</b>
<b>Operating profit/loss</b>	<b>-3 629</b>	<b>-3 124</b>	<b>-13 350</b>	<b>-9 807</b>	<b>-13 320</b>
Profit/loss from financial items	0	-59	-3	-59	-76
<b>Earnings for the period</b>	<b>-3 629</b>	<b>-3 183</b>	<b>-13 353</b>	<b>-9 866</b>	<b>-13 396</b>

## Balance sheet

KSEK	30 Sept 2020	30 Sept 2019	31 Dec 2019
<b>ASSETS</b>			
<b>Non-current assets</b>			
Financial assets	64	129	64
<b>Total non-current assets</b>	<b>64</b>	<b>129</b>	<b>64</b>
<b>Current assets</b>			
Other current receivables	640	21 636	1 784
Cash and bank balances	17 757	1 941	12 223
<b>Total current assets</b>	<b>18 397</b>	<b>23 577</b>	<b>14 007</b>
<b>TOTAL ASSETS</b>	<b>18 461</b>	<b>23 706</b>	<b>14 071</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital	16 639	15 213	12 801
Share capital non registered		1 071	
Current liabilities	1 822	7 422	1 270
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>18 461</b>	<b>23 706</b>	<b>14 071</b>

## Cash Flow statement in summary

KSEK	Jan-Sept 2020	Jan-Sept 2019	Full year 2019
Cash flows from operating activities	-11 657	-7 131	-14 759
Cash flow from investing activities	0	0	0
Cash flow from financing activities	17 191	0	17 910
<b>Change in cash and cash equivalents</b>	<b>5 534</b>	<b>-7 131</b>	<b>3 151</b>
Cash and cash equivalents at the start of the period	12 223	9 072	9 072
Cash and cash equivalents at the end of the period	17 757	1 941	12 223

## Change in Equity

KSEK	Share Capital	Share premium reserve	Accumulated profit/loss	Total Equity
Opening balance January 1 2019	974	15 380	-8 067	8 287
Warrants program		11		11
Rights issue	1 071	21 210		22 281
Issue costs		-4 429		-4 429
Earnings for the period			-9 866	-9 866
<b>Closing balance September 30 2019</b>	<b>2 045</b>	<b>32 172</b>	<b>-17 933</b>	<b>16 284</b>
Opening balance January 1 2020	2 045	32 219	-21 463	12 801
Warrants program		5		5
Rights issue	2 727	19 087		21 814
Issue costs		-4 628		-4 628
Earnings for the period			-13 353	-13 353
<b>Closing balance September 30 2020</b>	<b>4 772</b>	<b>46 683</b>	<b>-34 816</b>	<b>16 639</b>

## Earnings per share

KSEK	Jan-Sept 2020	Jan-Sept 2019	Full year 2019
Earning for the period	-13 353	-9 866	-13 396
Number of shares	38 175 032	7 790 823	16 360 728
Average number of shares	24 036 131	7 790 823	9 933 299
Earnings per share, SEK	-0,57	-1,27	-1,35