

DICOT

SUMMARY OF YEAR-END REPORT 2021

Dicot AB (publ) 559006-3490



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Summary of Year-End Report 2021

January - December 2021 – Dicot AB (publ) 559006–3490

FOURTH QUARTER 2021

- Net sales amounts to **0 KSEK**
(0 KSEK)
- Earnings for the period amounts to **KSEK -8,408** (KSEK-4,188)
- Earnings per share **SEK -0.10**
(SEK -0.10)

JANUARY – DECEMBER 2021

- Net sales amounts to **KSEK 0**
(KSEK 0)
- Earnings for the period amounts to **KSEK -27,175** (-17,541 KSEK)
- Earnings per share **SEK -0.52**
(SEK -0.61)

Significant events during the period

- In October Dicot completes a study on rats with diabetes and proven erectile dysfunction. The company's drug candidate demonstrated significantly improved erections compared to vehicle.
- In November Dicot's rights issue is subscribed for approx. 98 percent. Through the rights issue, the Company will receive approximately SEK 24.7 million before issue costs (SEK 3.3 million).
- In December, Dicot releases results from an animal study that show that the drug candidate LIB-01 has an effect even at low doses and that the 7-day duration of effect on erectile dysfunction has been confirmed.
- In December Dicot announces that the research results verifying the efficiency of LIB-01 will be presented at the European Society for Sexual Medicine's annual congress in Rotterdam in February 2022. A presentation will also take place in the spring at the European Association of Urology's congress in Amsterdam.

Significant events after the period

- Dicot is gearing up for the next phase and strengthens its management by having the current CEO and COO Elin Trampe succeed the current CEO Göran Beijer from 1 April 2022, who will remain in the organization as a consultant. Björn Petersson will take over as the new CFO from 7 March 2022.
- In February, Dicot announces that the IP portfolio will be strengthened through the identification and documentation of ten new possible patentable assets that could extend intellectual property protection to at least 2042.



About Dicot AB

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 significant problems 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 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. 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

2021 was in particular characterized by unambiguous results in our animal studies which, among other things, confirm that our drug candidate LIB-01 has an effect that lasts for more than seven days. Leading researchers and physicians have commended the positive results, which will be presented at two international congresses this spring. Encouraged by this and a welcome capital injection, we can now accelerate our business development and prepare for the start of clinical studies.

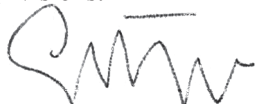
THE MAJOR DRUG DEVELOPMENT GOAL this year has been to conduct pharmacological studies on animals to verify our drug candidate's long duration of action, which distinguishes it from other treatments of today. This has now been unambiguously proven, or as Professor François Giuliano at Pelvipharm puts it: "I feel confident that Dicot's drug candidate is effective." Studies on diabetic rats also gave positive results and showed a significantly better effect compared to vehicle. Thanks to these strong results, we can now accelerate our work and focus on starting clinical trials at the end of 2022.

INTERNATIONAL RECOGNITION has arisen as a reaction to our accomplishments. Dicot's research results have been selected to be presented at the European Society for Sexual Medicine's annual congress in early 2022 and later this year at the European Association of Urology's congress. And our ambition with LIB-01 receives positive response from world-leading doctors and researchers in our field. Dr Chris McMahon, former chairman of the International Society of Sexual Medicine and with over 100 published articles, states that "one pill a week with proven efficacy, proven safety profile and no significant side effects, would be a game changer".

BUSINESS DEVELOPMENT IS AS IMPORTANT A PART of the company's long-term success as the drug development. With strong results from the preclinical work behind us, we now prioritize business development and have produced a new business plan. The most important part of the plan is to identify pharmaceutical partners in appropriate markets. In 2021, an international consulting company has probed and analyzed the market situation and herewith the preparatory work is completed. In 2022, we level up our ambition and actively engage in starting dialogues with the most suitable companies.

DURING THE LAST QUARTER OF THE YEAR, WE CARRIED OUT A RIGHTS ISSUE that was almost fully subscribed. In addition to a welcome capital injection, we are grateful for our existing shareholders continued trust and to be able to welcome close to 1,000 new shareholders.

FINALLY; a big thank you to employees, partners, shareholders and the board who contribute to our business in various ways. We promise to manage your contributions well and take Dicot quickly and safely towards our goals and visions.



Göran Beijer, CEO
Uppsala in February 2022



"International recognition has arisen as a reaction to our accomplishments"

Income Statement

KSEK	Oct - Dec 2021	Oct - Dec 2020	Full Year 2021	Full Year 2020
Net sales	-	-	-	-
Net sales	-	-	-	-
Operating Expenses				
Other external expenses	-7 215	-3 564	-23 851	-15 086
Personnel	-1 161	-620	-3 276	-2 434
Depreciation	-8	-2	-8	-2
Other operating expenses	-24	-7	-36	-21
Operating expenses	-8 408	-4 193	-27 171	-17 543
Operating Profit / Loss	-8 408	-4 193	-27 171	-17 543
Profit / loss from financial items	0	5	-4	2
Earnings for the Period	-8 408	-4 188	-27 175	-17 541

Balance Sheet

KSEK	31 Dec 2021	31 Dec 2020
ASSETS		
Non-Current Assets		
Financial assets	28	36
Total Non-Current Assets	28	36
Current Assets		
Other current receivables	1 412	1 247
Cash and bank balances	30 328	20 327
Total Current Assets	31 740	21 574
TOTAL ASSETS	31 768	21 610
EQUITY AND LIABILITIES		
Share capital	28 351	19 659
Current liabilities	3 417	1 951
TOTAL EQUITY AND LIABILITIES	31 768	21 610

Cash Flow Statement in Summary

KSEK	Oct - Dec 2021	Oct - Dec 2020	Full Year 2021	Full Year 2020
Cash flows from operating activities	-6 528	-4 600	-25 866	-16 257
Cash flow from investing activities	0	-38	0	-38
Cash flow from financing activities	19 830	7 208	35 867	24 399
Change in Cash and Cash Equivalents	13 302	2 570	10 001	8 104
Cash and cash equivalents at the start of the period	17 026	17 757	20 327	12 223
Cash and Cash Equivalents at the End of the Period	30 328	20 327	30 328	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		5		5
Rights issue	3 413	25 966		29 379
Issue costs		-4 985		-4 985
Earnings for the period			-17 541	-17 541
Closing Balance December 31 2020	5 458	53 205	-39 004	19 659
Opening balance January 2021	5 458	53 205	-39 004	19 659
Warrants program		9		9
Rights issue	7 405	33 012		40 417
Issue costs		-4 559		-4 559
Earnings for the period			-27 175	-27 175
Closing Balance December 2021	12 863	81 667	-66 179	28 351

Earnings per Share

KSEK	Oct - Dec 2021	Oct - Dec 2020	Full Year 2021	Full Year 2020
Earnings for the period	-8 408	-4 188	-27 175	-17 541
Number of shares	102 900 206	43 668 398	102 900 206	43 668 398
Average number of shares	82 624 613	41 877 081	52 010 577	28 589 473
Earnings per Share, SEK	-0.10	-0.10	-0.52	-0.61