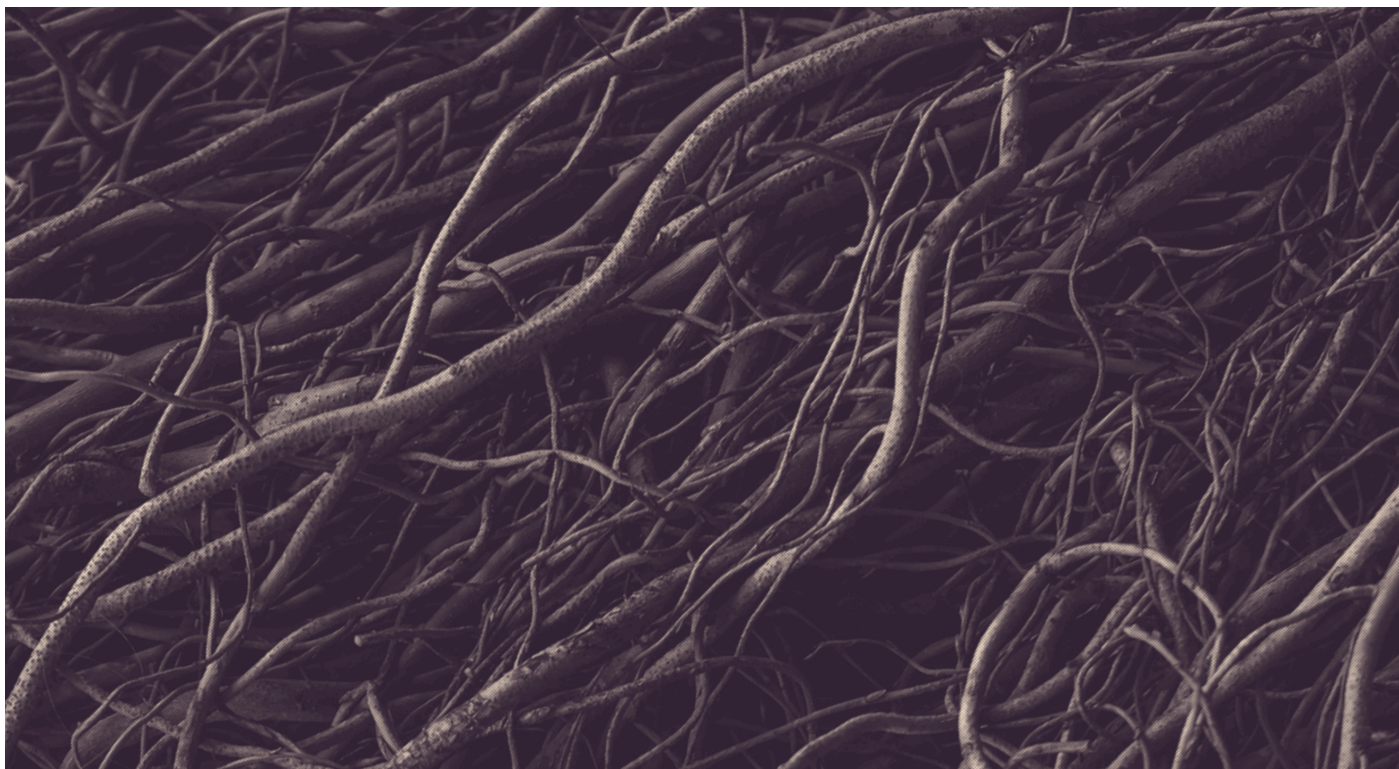


# DICOT

**SUMMARY OF INTERIM REPORT  
JANUARY-SEPTEMBER 2021**

Dicot AB (publ) 559006-3490



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# Summary of Interim Report

## January - September 2021

Dicot AB (publ) 559006-3490

### Overview January - September 2021

#### THIRD QUARTER 2021

- Net sales amounts to **0 KSEK** (0 KSEK)
- Earnings for the period amounts to **-4,716 KSEK** (-3,629 KSEK)
- Earnings per share **-0.07 SEK** (-0.10 SEK)

#### JANUARY - SEPTEMBER 2021

- Net sales amounts to **30 KSEK** (0 KSEK)
- Earnings for the period amounts to **-18,767 KSEK** (-13,353 KSEK)
- Earnings per share **-0.32 SEK** -0.57 SEK)

### Significant events during the Third Quarter

- In August Dicot released results from its latest animal study concluding that the drug candidate LIB-01 has a longer effect on erectile function than other drugs on the market today, and that the effect increases over time.
- On September 1, Elin Trampe takes on the role as Vice President and COO at Dicot.
- In September the board of directors of Dicot resolved to issue units with preferential rights for the Company's existing shareholders. Upon full subscription of the Rights issue, Dicot will receive approximately SEK 25.3 million (before issue costs).

### Significant events after the end of the period

- Bodil Fornstedt Wallin, takes over as the new Project Director at Dicot in October.
- In October Dicot completed a study on rats with diabetes and proven erectile dysfunction. The company's drug candidate demonstrated significantly improved erections compared to vehicle.
- Dicot's rights issue was subscribed for 98 percent, the company obtains approximately SEK 27.4 million before issue costs.



# 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.<sup>1</sup>

**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. 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](http://www.dicot.se).**

<sup>1</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

**Taking a project like LIB-01 all the way to the finish line - in our case, to launch a new drug on the world market in cooperation with international pharmaceutical companies - is a task in three parts. We need to manage all the steps of the drug development process, we have to secure finances; without money, no project. And a high level of business expertise and organizational skills are required. This quarter has really been a combination of the three.**

**I AM INCREASINGLY CONFIDENT** about the properties of our drug candidate. The two pharmacological studies we have done in France in recent months have shown positive results. The study on healthy rats proved that the effect of LIB-01 lasts for at least seven days and that the effect increases during that period. Long-term effect is one of the most important factors in developing a new class of drugs for treating erectile dysfunction, so this is truly a breakthrough. Now further studies are being conducted to evaluate how much longer the effect can actually last.

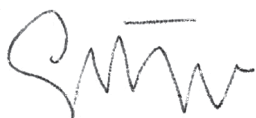
**THE STUDY ON DIABETIC RATS** clarified that the effect was significantly better compared to the control group. It fuels the idea of also being able to help all the men with diabetes who have erectile dysfunctions due to their illness.

**BEING A LISTED COMPANY** gives us opportunities to finance what we consider to be a very important area of research. It is therefore very gratifying that the rights issue we carried out in October was subscribed by 98 percent. It is a clear proof of trust, one we hope will continue to grow in the future.

**WE HAVE THE ABILITY** to organize and with good business acumen manage a company with a clear visionary idea. I feel that we have taken a big step forward this period by strengthening the organization with Elin Trampe as vice president and COO, who through her business expertise has been a valuable addition to the team during this busy autumn. The recruitment of Bodil Fornstedt Wallin as our new Project Director is also positive. With her overall experience in the life science field, in addition to her eight-year experience from the Swedish Medical Products Agency, she will be a valuable asset when we commence clinical studies on humans next year.

**THERE IS STILL A LOT OF WORK** to be done before we have a product on the market, but the major development steps we have taken during this autumn have clearly increased our chances for success.

**IN CONCLUSION**, I would like to thank our shareholders and investors for the trust we have gained through the successful rights issue. Supported by the financial injection, the team and our partners are now accelerating towards the first studies in humans in 2022.



**Göran Beijer, CEO**  
Uppsala in November 2021



***"The major development steps we have taken during the autumn have clearly increased our chances for success."***

# Income Statement

KSEK	Jul - Sep	Jul - Sep	Jan - Sep	Jan - Sep	Full year
	2021	2020	2021	2020	2020
<b>Net sales</b>	-	-	30	-	21
<b>Net sales</b>	-	-	<b>30</b>	-	<b>21</b>
<b>Operating expenses</b>					
Other external expenses	-3 925	-3 043	-16 637	-11 537	-15 086
Personnel	-784	-586	-2 115	-1 813	-2 434
Depreciation	-	-	-	-	-2
Other operating expenses	-7	-	-41	-	-43
<b>Operating expenses</b>	<b>-4 716</b>	<b>-3 629</b>	<b>-18 793</b>	<b>-13 350</b>	<b>-17 565</b>
<b>Operating profit / loss</b>	<b>-4 716</b>	<b>-3 629</b>	<b>-18 763</b>	<b>-13 350</b>	<b>-17 544</b>
Profit / loss from financial items	-	-	-4	-3	3
<b>Earnings for the period</b>	<b>-4 716</b>	<b>-3 629</b>	<b>-18 767</b>	<b>-13 353</b>	<b>-17 541</b>

# Balance sheet

KSEK	30 Sep 2021	30 Sep 2020	31 Dec 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Financial assets	36	64	36
<b>Total non-current assets</b>	<b>36</b>	<b>64</b>	<b>36</b>
<b>Current assets</b>			
Other current receivables	1 793	640	1 247
Cash and bank balances	17 026	17 757	20 327
<b>Total current assets</b>	<b>18 819</b>	<b>18 461</b>	<b>21 574</b>
<b>TOTAL ASSETS</b>	<b>18 855</b>	<b>18 461</b>	<b>21 610</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital	16 929	16 639	19 659
Current liabilities	1 926	1 822	1 951
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>18 855</b>	<b>18 461</b>	<b>21 610</b>

# Cash Flow statement in summary

KSEK	Jan - Sep 2021	Jan - Sep 2020	Full year 2020
Cash flow from operating activities	-19 338	-11 657	-16 257
Cash flow from investing activities	-	-	-38
Cash flow from financing activities	16 037	17 191	24 399
<b>Change in cash and cash equivalents</b>	<b>-3 301</b>	<b>5 534</b>	<b>8 104</b>
Cash and cash equivalents at the start of the period	20 327	12 223	12 223
<b>Cash and cash equivalents at the end of the period</b>	<b>17 026</b>	<b>17 757</b>	<b>20 327</b>

## Change in Equity

KSEK	Share Capital	Share premium reserve	Accumulated profit / loss	Total Equity
Operating 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>
Opening balance January 1 2021	5 458	53 205	-39 004	19 659
Warrants program		9		9
Rights issue	2 646	14 709		17 355
Issue costs		-1 327		-1 327
Earnings for the period			-18 767	-18 767
<b>Closing balance September 30 2021</b>	<b>8 104</b>	<b>66 595</b>	<b>-57 771</b>	<b>16 929</b>

## Earnings per share

	Jul - Sep 2021	Jul - Sep 2020	Jan - Sep 2021	Jan - Sep 2020	Full year 2020
Earnings for the period, KSEK	-4 716	-3 629	-18 767	-13 353	-17 541
Number of shares	64 831 745	38 175 032	64 831 745	38 175 032	43 668 398
Average number of shares	64 831 745	38 175 032	57 901 484	24 036 131	28 589 473
Earnings per share, SEK	-0,07	-0,10	-0,32	-0,57	-0,61