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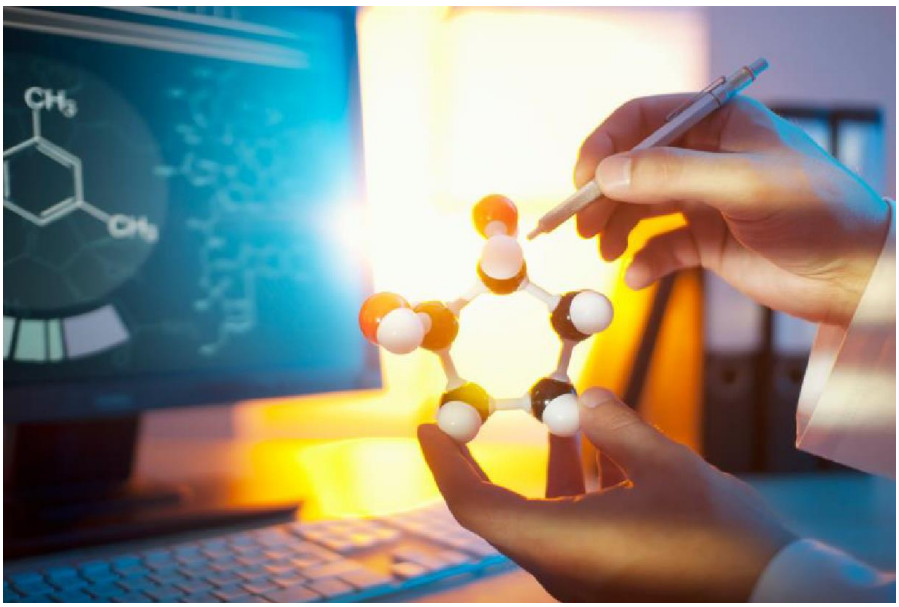

DexTech is a Swedish research company specializing in urological oncology, primarily prostate cancer. DexTech develops drug candidates based on a modified carbohydrate molecule in combination with active substances, including generics. The substances have the potential to become new patented drugs that satisfy major needs in urological oncology. The company has a strong clinical foundation with valuable specialist expertise from research laboratory and manufacturing to clinical oncology. Through close international/national research and development cooperation with universities and hospitals, among others, the development of the substances can be carried out cost-effectively. Prostate cancer is the most common form of cancer in men in the Western world.

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The Annual Report for DexTech Medical AB, org.nr *556664-6203,* consists of the Board of Directors' Report and the associated financial reports on pages 9-24.

The Annual Report is published in Swedish and English.

Activities

DexTech conducts operations in oncology with the development of new drug candidates, primarily for urological oncology, but also for other cancers.
DexTech develops drug candidates based on a carbohydrate molecule in combination with active substances, including generics. The substances have the potential to become new drugs that satisfy major needs in urological oncology.

DexTech currently has four drug candidates, OsteoDex (ODX) for the treatment of bone metastases in castration-resistant prostate cancer (mCRPC), SomaDex for the treatment of acromegaly, neuroendocrine tumors and palliative care in advanced prostate cancer**,** PSMA-binding conjugates for target-specific treatment of mCRPC, and GuaDex, which is generally specific tumor cell killing and constitutes a technology platform. *OsteoDex for the treatment of mCRPC is the company's lead candidate.*

In June 2020, DexTech's Phase IIb study of the drug candidate ODX for the treatment of bone metastatic mCRPC was completed, as 2-year follow-up results were obtained from the last patients in the study. The follow-up results from the study were very positive and indicate that treatment with ODX can slow down the disease. The results show significantly longer survival for patients who responded to the treatment. The treatment was very well tolerated (no serious side effects) and good disease-inhibiting effect was seen even at the lowest doses. ODX also showed slowing and regression of the disease in patients whose disease progressed after treatment with one or more of the other available medications for mCRPC. DexTech is working towards the company's primary goal, to enter into an agreement with a licensee for the drug candidate ODX.

DexTech has conducted an extensive preclinical program regarding the effect of OsteoDex on multiple myeloma. On August 10, 2022, the Swedish Medical Products Agency approved and granted permission to conduct the phase 1 study regarding the effect of OsteoDex on patients with multiple myeloma. The Phase 1 study examines the efficacy of OsteoDex in patients with progressive treatment-resistant multiple myeloma (MM). The study includes a maximum of 20 patients and is initially being conducted at two hospitals in Sweden: Karolinska University Hospital Huddinge and Uddevalla Hospital. In January, April and August 2024, DexTech Medical announced positive results from the myeloma study. The Phase 1 study examines the effect of OsteoDex on patients with progressive multiple myeloma (MM). Progressive disease means that the disease progresses and does not respond to existing treatment. The first dose group (3mg/kg) is now ready and the DMC (Data Monitoring Committee) has approved the start of dose group 2 (6mg/kg). DMC assesses all analysis results to decide on the next higher dose. No side effect is related to OsteoDex has been noted. All patients show a decrease in skeletal biomarkers. Three out of four patients have stable disease after completion of treatment (stable = no progression of the disease). Patients with stable disease will be followed up until new progress according to the approved amendment, which provides information on how long the treatment effect lasts.

Business concept and business model

DexTech's business concept is to out-license the drug candidates to the pharmaceutical industry no later than after a Phase II study has been completed. The licenses generate, according to the usual payment model, a one-time payment and thereafter compensation upon achievement of development goals, so-called milestone remuneration and future royalties on sales.
Through close international/national research and development cooperation, including universities and hospitals, the development of the substances can be carried out very cost-effectively.

The cancer market globally

The global market for cancer drugs in 2020 was estimated at USD 158 billion (https://www.mordorintelligence.com/industry-reports/cancer-therapy-market). The United States dominates the world market with about 49 percent and Europe makes up about 22 percent. Africa, Asia and Australia together account for

just over 16 per cent, Japan makes up just over eight per cent of the world market and Latin America just over four per cent of the world market.

Prostate cancer: Prostate cancer is the most common cancer in men in the Western world, with 1.4 million cases globally in 2020 (https://www.wcrf.org/cancer-trends/prostate-cancer-statistics/). In Sweden, prostate cancer is the most common form of cancer, with 103 cases per 100,000 inhabitants.
Around 1.75 million men are estimated to have prostate cancer in the seven largest pharmaceutical markets, the United States, the United Kingdom, Germany, France, Italy, Spain and Japan. Approximately 20–25%, corresponding to more than 400,000 patients with prostate cancer, develop incurable CRPC with bone metastases (*Reference: The cancer market outlook*).

OsteoDex main indication, bone metastases in prostate cancer (mCRPC):

Twenty to 25% of patients develop CRPC, an incurable stage of prostate cancer in which about 90% have metastases in the bones. Patients may have severe pain due to fractures, compression of the vertebrae and other skeletal symptoms. In general, bone pain is the most common form of cancer-related pain and is severe and disabling in a majority of patients, with a pronounced negative effect on quality of life and mobility. The disease stage mCRPC can be described as a bone disease in which the patient dies of their disease due to bone metastasis. The median survival with mCRPC is only about 1 - 2 years (Reference: Kirby, M. Characterising the castration-resistant prostate cancer population: a systematic review, The International Journal of Clinical Practice).

Virtually all patients who die of their prostate cancer, today about one in four patients, have castration-resistant disease. Today, there are only a few drugs registered for life-prolonging treatment of castration-resistant metastatic prostate cancer: docetaxel (Taxotere) and cabazitaxel (Jevtana), both of which are so-called chemotherapy drugs, as well as abiraterone (Zytiga), enzalutamide (Xtandi) and Radium-223 (Xofigo). Abiraterone and enzalutamide are hormonally active (inhibitors/blockers) while Radium-223 binds to areas of the skeleton where daughter tumors (metastases) are located and emits a local radioactive radiation effect there. Another drug has now been approved for the treatment of mCRPC. The drug, olaparib (Lynparza), is a DNA repair inhibitor. The indication only includes patients with so-called *BRCA1/2*-mutations, i.e. a relatively low proportion of patients. The five main drugs has been shown to slow down tumor disease in most patients and prolong survival by about 2.5 - 5 months.

All of them have more or less serious side effects and the patient's individual status determines which treatment can be used. All treatment of mCRPC patients aims to be disease-inhibiting and palliative, where the treatment can at best prolong the life of the patient. Each of these drugs has a relatively short duration of action as all patients' disease becomes resistant to the drugs after a limited time. There is not yet a curative drug in sight and the need for new disease-inhibiting drugs is great ("unmet need").
Against this background, DexTech has developed a complementary drug candidate that can be used when other drugs fail. Due to the widespread use of the five life-prolonging drugs and the fact that all of them are gradually failing, the number of patients without effective treatment is increasing. OsteoDex has shown potential to be used in these patients.

Other potential indications for OsteoDex

The principle of OsteoDex mechanism of action, targeting of the tumor cell microenvironment, cell uptake via specific uptake mechanism and final cell denaturation, is of general interest as tumor cells generally have a microenvironment that distinguishes them from normal cells. Because of this, the effects of OsteoDex, mainly on breast cancer, lung cancer, and most recently on multiple myeloma, have been studied (preclinical studies). The general anticancer effect of OsteoDex has been verified in the studies and exhibits strong tumor cell-killing properties on all of these cancers.

Breast cancer is the most common form of cancer among women globally, with more than 2 million new cases in 2018 (https://www.wcrf.org/dietandcancer/cancer-trends/breast-cancer-statistics). For 2015, 9362 women were reported with a diagnosis of breast cancer in Sweden (https://www.cancerfonden.se/om-cancer/om-brostcancer). In Western Europe, about 15–20 percent of breast cancer patients develop advanced disease. In other parts of the world, that proportion is significantly higher due to late diagnosis. The treatment of metastatic breast cancer (Sweden) includes hormonal therapy, chemotherapy, antibody therapy and bisphosphonates. The optimal treatment is determined by the characteristics of the individual tumor (*Reference: SweBCG, national guidelines for the treatment of breast cancer*).

Lung cancer is divided into two main groups: non-small cell lung cancer (NSCLC) and small cell lung cancer. Approximately 80 percent of all lung cancer cases are NSCLC, which in turn is divided into several subgroups. Globally, more than 1.5 million people are diagnosed with lung cancer every year, and the vast majority of these die from it. The lack of active and well-tolerated drugs is striking. There is currently no curative treatment for metastatic lung cancer and the need for new active drugs is therefore very great.

Multiple myeloma (MM). MM is a type of blood cancer that originates from plasma cells in the bone marrow with simultaneous destruction of bone through interaction with osteoclasts (similar to mCRPC). The disease is generally incurable and is currently treated with a number of drugs, mainly with derivatives of Thalidomide (Lenalidomide, Pomalidomide) which is immunomodulatory treatment, Bortezomib, a so-called proteasome inhibitor, and dexamethasone, which is a type of cortisone preparation. Sometimes a bone marrow transplant is also performed. Melphalan is a chemotherapy drug that is part of the treatment arsenal. Most patients relapse and need new treatment. The drugs for MM often have severe side effects.

The global incidence of MM in 2020 was 160,000 cases, with a mortality rate of 106,000. (https://pubmed.ncbi.nlm.nih.gov/32335971/). The global market value in 2020 was approximately USD 20 billion with a forecast value in 2026 of USD 31 billion (https://www.fortunebusinessinsights.com/multiple-myeloma-market-102693).

DexTech Technology Platform and Drug Candidates

DexTech uses modified clinical dextran (a drug used since the 1950s) as the backbone of the designs of new drug candidates (GuaDex). GuaDex binds to tumour cells, absorbs and kills them (denatures). Other substances can be linked to GuaDex, whereby the properties can be changed to enhance the intended effect, while side effects can be minimised (lower toxicity). The biological half-life (degradation time) can be modulated and made more favorable depending on the application. The platform is protected by patents including 3 additional applied for/approved patent families (see page 7). DexTech's technology platform can also be out-licensed for other specific applications. Out-licensing of the technology platform can be done to several different pharmaceutical companies, which creates new business opportunities for DexTech. The technology platform can be likened to a "Lego box" with multiple possibilities to build new molecules. The pipeline includes several compounds with other properties and application areas that broaden DexTech's business opportunities.

The company's lead candidate, *OsteoDex*, for the treatment of bone metastases in mCRPC, has been shown to have a clinically tumor-killing effect and at the same time with potent inhibition of osteoclasts (bone-degrading bone cells).

Clinical studies OsteoDex

Phase 1. Following promising preclinical results with OsteoDex, a clinical phase I/IIa study was started in February 2012. The primary objective was to study tolerability and possible side effects. The study was conducted at the University Hospitals in Umeå and Lund and at Södersjukhuset in Stockholm.

The study included 28 mCRPC patients divided into 7 dose groups, four patients in each dose group and with increasing dose.

The results show that OsteoDex has low toxicity and high tolerability. Only minor side effects have been noted. In the highest dose group, a strong effect on so-called bone markers is noted in two of the total four patients. Bone markers often reflect the course of the tumour disease. The results are a clear indication that OsteoDex at the appropriate dose has the expected effect.

Harrison Clinical Research-Synteract has been DexTech's CRO (Clinical Research Organisation, study monitoring etc., GCP, good clinical practice) during the study.

The results from DexTech's Phase I study regarding OsteoDex treatment of mCRPC form the basis for the now completed Phase II study.

Phase 2. The original study protocol with ID ODX-002, was approved by the Swedish and Danish Medical Products Agencies in October 2014 (a placebo-controlled randomized multicenter phase II study) regarding OsteoDex for the treatment of castration-resistant prostate cancer with bone metastases (CRPC). On October 27, 2015, DexTech decided to change the study design and to give all study patients active substance (OsteoDex). This is as a result of discussions with the Medical Products Agency in Uppsala and advice from "BigPharma". The study design was changed to active treatment for all patients. DexTech was thus able to gain faster knowledge about the tumor-inhibiting effect in relation to dose, the efficacy parameter requested by prospective licensees. DexTech also responded to patients' requests for access to the active substance and thus avoid the risk of randomization to the placebo group. A decision on approval of the new study protocol with ID ODX-003 was given by the Medical Products Agency in Uppsala on 28/2 2016.

The primary objective of the Phase II study was to document the efficacy of OsteoDex in the treatment of CRPC. The study included 55 well-defined mCRPC patients. Patients were divided between three treatment arms (blinded distribution, 3 ascending dose levels of OsteoDex). The treatment was given for 5 months where OsteoDex was given every two weeks. The study was conducted in Sweden (Norrland University Hospital in Umeå, Södersjukhuset in Stockholm and University Hospital in Örebro), in Finland (Tampere University Hospital), in Estonia (East Tallin Central Hospital and Tartu University Hospital) and in Latvia (Riga East University Hospital and Daugavpils Regional Hospital). The first patient received his first treatment in September 2016 at Södersjukhuset in Stockholm.

In connection with the above-mentioned changes, the company chose to change the study organization by recruiting Crown-CRO Oy as GCP manager (good clinical practice) for the OsteoDex study. Crown-CRO Oy specializes in oncology studies in the Nordic and Baltic countries. Crown-CRO Oy replaced the company's former partner SynteractHCR.

In June 2018, the last patients in DexTech's phase IIb study for OsteoDex were completed. The work was then focused on the completion of the formal study report.

At the beginning of October 2018, DexTech was able to present the first results from the completed phase IIb study for Osteodex. The results meet the primary objective of the protocol.

Parts of the results, as previously announced, were presented at the BioEurope conference in Copenhagen in November 2018 and were received with great interest.

In December 2018, the full CRO report from the phase IIb study for Osteodex was completed. Fifty-one percent of patients completed treatment (5 months, biweekly dose). Of these, 52% showed stable disease (improved/unchanged) regarding bone metastasis. 35% of patients who completed treatment had a reduced tumour burden in the bones. The majority of the patients who had a reduced tumour burden in the skeleton had been treated with and no longer responded to two or more of the currently available drugs (docetaxel, cabazitaxel, abiraterone,

enzalutamide, radium-223 dichloride) prior to enrolment in the study. This finding is of great importance for the continued clinical development of OsteoDex as the current patient group represents a significant so-called "unmet need". The results show that OsteoDex has a significant inhibitory effect on the vicious cycle ("vicious circle") in the skeleton, i.e. the biological process that drives this disease and thus also to shortened survival. More than 50% of patients showed marked decreases in the levels of markers related to bone metabolism and a particularly marked decrease was noted in 67% of patients for the marker CTX, which reflects bone degradation. The effect on this marker and other markers related to bone metastasis reflects the biological effect of the OsteoDex molecule. Tolerability was remarkably good with only few side effects. No patients needed to discontinue treatment due to adverse events and no OsteoDex-related serious adverse events (SAEs) were noted. The three dose arms in the protocol show equivalent treatment effect. The interpretation is that even the lower doses are sufficient to saturate the metastasis areas in the bones. The results meet the primary objective of the protocol well.

In June 2020, DexTech's Phase IIb study was completed with 2-year follow-up results from the last patients (24-month follow-up after the last dose).

The Phase IIb study's primary endpoints regarding markers of bone metabolism had been well achieved. A clear majority of patients showed a reduction in their bone markers in blood from the given treatment with OsteoDex. The treatment was very well tolerated (few and mild side effects) and good disease-inhibiting effect was seen even in the lowest doses. Slowing and regression of the disease was also seen in patients whose disease progressed after treatment with several of the other available medications for castration-resistant prostate cancer.

The secondary endpoints of the Phase IIb study include overall survival, which was evaluated through 24 months of follow-up after completion of treatment. The follow-up results from the study were very positive and show that OsteoDex treatment can slow down the disease. The results showed significantly longer survival for patients who responded to treatment with a median survival longer than 27 months, compared to other patients, with a median survival of 14 months (statistical significance, $p < 0.05$). The 2-year survival rate after study entry was 65% for patients who responded to treatment, with disease slowing or stabilisation, compared to 28% for other patients (significance, $p < 0.05$). The study in its entirety is now published in the European Journal of Cancer (European Journal of Cancer 181 (2023) 198e207).

DexTech has conducted an extensive preclinical program regarding the effect of OsteoDex on multiple myeloma. On August 10, 2022, the Swedish Medical Products Agency approved and granted permission to conduct the phase 1 study regarding the effect of OsteoDex on patients with multiple myeloma. The Phase 1 study examines the effect of OsteoDex on patients with progressive multiple myeloma (MM). The study includes a maximum of 20 patients and is initially being conducted at two hospitals in Sweden: Karolinska University Hospital Huddinge and Uddevalla Hospital. In January, April and August 2024, DexTech Medical announced positive results from the myeloma study. The Phase 1 study examines the efficacy of OsteoDex in patients with treatment-resistant progressive multiple myeloma (MM). Progressive disease means that the disease progresses and does not respond to existing treatment. The first dose group (3mg/kg) is now ready and the DMC (Data Monitoring Committee) has approved the start of dose group 2 (6mg/kg). DMC assesses all analysis results to decide on the next higher dose. No side effect is related to OsteoDex has been noted. All patients show a decrease in skeletal biomarkers. Three out of four patients have stable disease after completion of treatment (stable = no progression of the disease). Patients with stable disease will be followed up until new progress according to the approved amendment, which provides information on how long the treatment effect lasts.

The continued clinical development of OsteoDex will be carried out by or together with a prospective licensee.

Other drug candidates;

- ***SomaDex*** for the treatment of acromegaly, neuroendocrine tumors and palliative care in advanced prostate cancer. SomaDex is a drug candidate, based on an endogenous hormone, somatostatin, for the treatment of acromegaly, neuroendocrine tumors and palliative care in advanced prostate cancer. SomaDex has undergone a Phase I clinical study (in Sweden/Finland) and a Phase II pilot study in Mexico. The studies showed that SomaDex has few and mild side effects (Phase I) and has a palliative effect in advanced prostate cancer (pilot study).

- ***CatDex/GuaDex:*** *GuaDex* is the so-called technology platform and is a charge-modified dextran molecule with tumor-toxic properties (kills tumor cells) and is a development of CatDex

- ***PSMA-binding conjugate:*** For target-specific treatment of mCRPC that overexpresses PSMA (prostate specific membrane antigen). The compound is based on the platform, GuaDex.

SomaDex

Somatostatin is an endogenous hormone with many effects on humans. One effect is the action of a natural "shutdown hormone", i.e. can turn off the secretion of growth factors (proteins that stimulate growth) and various hormones e.g. growth hormone in acromegaly (disease due to pituitary tumor). Several tumour types express somatostatin receptors (receptor proteins for somatostatin) and include certain pituitary tumours, neuroendocrine tumours and prostate cancer. For these reasons, somatostatin is of interest in the treatment of hormone-producing neuroendocrine tumors, growth hormone-producing pituitary tumors (acromegaly) and for palliative treatment of prostate cancer. Natural somatostatin is unstable (breaks down rapidly in the body) and therefore has very limited

clinical utility. Synthetic somatostatin analogues are currently established drugs in the treatment of neuroendocrine tumors and acromegaly (Sandostatin®, Novartis).

With DexTech's technology platform, natural somatostatin has been stabilized (SomaDex) and obtained a new half-life of approximately 37 hours, compared to approximately 3 minutes for natural somatostatin. This, together with the fact that the biological properties of somatostatin have been preserved in SomaDex, provide high clinical utility. There is currently no synthetic somatostatin with the same properties as natural somatostatin.

Results from a pilot clinical study in mCRPC patients with SomaDex as monotherapy, show a significant relief of symptoms and with improved quality of life (EORTC QLQ-C30, quality of life questionnaire). Only minor adverse reactions were noted.

SomaDex was out-licensed to TechSphere Corp. (Mexican pharmaceutical company) in 2009. DexTech resumed the project in 2012 when TechSphere was unable to fulfill its part of the license agreement (further development of SomaDex).

The SomaDex project is currently dormant.

Platform development, CatDex to GuaDex

CatDex is an electrostatically modified dextran molecule. In a pilot study in patients with bladder cancer (1997), CatDex was shown to accumulate with high preference in the tumor tissue (tumor cell specific) through its positive electrostatic charge (patent 1 1998). CatDex has since been further developed (GuaDex, patent 2 2008) to have strong tumor cell killing properties in addition to tumor cell specificity. GuaDex is today the technology platform for new designs/projects.

PSMA-binding association

DexTech has developed a new PSMA-binding compound with the help of the company's technology platform. The new substance has unique properties in that it has multiple PSMA-binding parts and can carry a larger load of cell-killing substances than has been possible with PSMA-specific molecules produced so far. The production of the new substance can be relatively easily adapted to the company's GMP platform (i.e. manufacturing that is approved for clinical use). The current patent application complements and strengthens the company's other patents.

In June 2016, DexTech filed a patent application for important innovation regarding companion diagnostics and target-specific treatment of prostate cancer.

It is well known that prostate cancer cells on their surface overexpress the protein PSMA (prostate-specific membrane antigen, i.e. PSMA is found in greater quantities on the surface of the tumor cell). Extensive international research activity is underway to produce molecules that can bind specifically to PSMA and thus be used as carriers of cancer cell-killing substances (radioactive isotopes, cytostatics, etc.) for so-called target-specific treatment of prostate cancer.

In June 2016, DexTech filed a patent application and an international patent application (so-called PCT application 2017). Patents are now approved and granted in Europe (2020). The patents are valid until 2038.

In 2022, Novartis launched 177Lu-PSMA-617 for the treatment of mCRPC (177Lu is a radioactive isotope).

Approved drugs against mCRPC

The competition for DexTech consists of other pharmaceutical companies with the same business model as DexTech, i.e. which involves out-licensing no later than after completion of the phase 2 study.

The pharmaceutical industry's portfolio for the development of drugs for prostate cancer is large with more than 400 candidates in active development. For patients with CRPC who have bone metastases, docetaxel (*Taxotere*, Sanofi) is the first choice for chemotherapy. Docetaxel and cabazitaxel (*Jevtana*) had total sales in 2016 of €537 million (the figure also includes treatment of other cancers). Docetaxel, like most chemotherapy drugs, has many and severe side effects. Since Taxotere's patent protection expired in 2010, the drug has lost significantly in sales to generics.

Several new products have come to market during this decade, including abiraterone (*Zytiga, J*anssen). Zytiga is highly priced in the US, about SEK 260,000 per treatment. Pricing in Sweden initially meant that many regions did not use Zytiga, which underlines the importance of having a price that the market's principals, e.g. county councils in Sweden, can accept. Currently, Zytiga is used by most regions. In 2017, Zytiga achieved global sales of approx. $2.5 billion. The indication for this drug is both pre-chemo (before docetaxel) and post-chemo (after docetaxel). Global sales reached nearly $2.8 billion in 2019 to drop to $1.77 billion in 2022 (https://www.globaldata.com/data-insights/healthcare/the-global-drug-sales-of-zytiga-1127405/)

Jevtana (Sanofi), was approved for sale in the United States in June 2010 and in Europe in January 2011. In 2017, the total sales of Jevtana amounted to EUR 386 million. The indication for this drug is post-chemo (after Taxotere).

Another new drug is Bayer's product *Xofigo*, which is a radioactive substance (Radium-223) active against CRPC. Bayer bought Xofigo from Norwegian Algeta in 2009 for USD 800 million and later the entire company for USD 2.9 billion. The product was approved by the FDA in May 2013 and the EMA in December 2013. Xofigo is priced on a par with Zytiga and had sales of approx. €1 billion for 2017. The indication for this drug is to be used both before and after chemotherapy (i.e., docetaxel). In general, it can be said that global sales fall when the patent period expires through competition from generic sales.

Medivation/Astellas Pharma has launched *Xtandi* for the treatment of CRPC. In August 2012, Xtandi was approved for marketing in the United States and in June 2013 the drug was approved for sale in Europe. In 2017,

total sales amounted to USD 2.6 billion. The indication for this drug is both pre-chemo (before docetaxel/Taxotere) and post-chemo (after docetaxel/Taxotere).

In 2010, Dendreon launched *Provenge* on the US market after an approval by the FDA. The treatment is expensive and costs $93,000 per treatment. In September 2013, Provenge was also approved for sale in the EU. In 2014, total sales of the drug amounted to USD 300 million. Provenge is an immunotherapy in which patients' white blood cells are treated with the drug to make them immunologically more potent. They are then reintroduced to the patient intravenously. The indication for this drug is pre-chemo (before Taxotere). In 2017, Dendreon Pharmaceuticals sold proceeds to Chinese Sanpower for EUR 774 million.

Zometa (Novartis) is used in prostate cancer with bone metastases to delay bone-related events. Zometa belongs to the group of bisphosphonates that have their largest use in the treatment of osteoporosis (osteoporosis). Zometa had annual global sales of approximately $1.5 billion in 2010 and 2011. In 2013, sales amounted to USD 600 million, a large decrease in sales as the product's patent expired and was made free for generics. Zometa is the leading bisphosphonate drug in the indication of prostate cancer with bone metastases, CRPC. Zometa has no effect on the tumor disease but delays bone-related events so-called SRE, such as fractures.

1 Sales figures come from each company unless otherwise stated.

Market potential, OsteoDex mCRPC excluding other indications

The potential for OsteoDex is great as all life-prolonging drugs against mCRPC lose their effect over time and therefore the need for new active drugs is great. OsteoDex has been shown to have a good effect even on patients who have failed existing treatment.

The value of the five life-prolonging drugs' annual sales in 2018 (ref: annual reports for each company, Taxotere (docetaxel)/Jevtana, Zytiga, Xtandi, Xofigo) amounted to approximately USD 10 billion. It also includes the treatment of other cancers with docetaxel but highlights the size of the mCRPC market for active drugs. The market is estimated to be approximately USD 13 billion in 2024. The growth is expected to be primarily driven by the increased incidence of prostate cancer together with the launch of drugs against the disease.

There is a great need for new drugs that can prolong life with relatively maintained quality of life for patients with CRPC. Today, there are only a few medicines registered for this purpose. All of them have more or less serious side effects and the patient's individual status determines which treatment can be used. Each of these drugs has a relatively short duration of action as the disease becomes resistant to the drugs after a limited time and thus needs to be replaced with one of the other drugs. Against this background, DexTech is developing a complementary rather than a competing drug. Each of these drugs currently has, or is expected to achieve, sales of over USD 1 billion annually, so-called blockbusters. The CRPC market is expected to continue to grow in the future due to an increasingly aging population.

The great potential and interest in the CRPC market was confirmed, for example, in 2014 by Bayer's acquisition of Algeta for a purchase price of USD 2.9 billion and annual sales figures for existing active CRPC drugs (so-called blockbusters).

GMP Manufacturing

DexTech has developed a GMP-approved (good manufacturing practice) manufacturing process for its drug candidates. GMP manufacturing is a prerequisite for conducting clinical studies.

DexTech can present to prospective licensees a complete manufacturing method from bulk solution to finished vials, all under GMP conditions.

Another advantage of the production of OsteoDex is the low cost of raw materials (API = active pharmaceutical ingredient). Overall, a "simple" production at low cost is a competitive advantage that will have a positive effect on sales volumes and sales margins in a future market.

Patent

DexTech's inventions are protected by patents that give the Company exclusive exclusive rights, i.e. DexTech owns all patents and patent applications filed since the Company was formed in 2004. Patent applications are filed in countries where there is advanced pharmaceutical research and development, as well as in countries that constitute larger markets for pharmaceutical products. The patents usually run for 20 years, but in some cases can be extended by up to 2 years for medicines. Through active management of the Company's patent portfolio, DexTech strives for strong protection of future pharmaceutical products. This is further strengthened by the fact that the Company's collective assets and rights are protected through clear agreements, strong patents and a wise management of the knowledge that is published.

DexTech's patent portfolio includes four patent families and a new application for GMP manufacturing of OsteoDex (October 2023). Patents/applications provide strong protection of the Company's drug candidates and the Company's technology platform. The portfolio has a relevant geographical spread for DexTech. The Company's four patent families/patent applications are strongly related and each patent family is therefore relevant for all of the Company's drug candidates as well as for the platform, GuaDex. Patent applications are filed in countries where there is advanced pharmaceutical research and development and in countries that are larger markets for pharmaceutical products.

DexTech's patent portfolio is an important asset for the Company and an extensive patent portfolio prevents competitors from infringing on the Company's patented areas. The patents provide market exclusivity during the term of the patents. The company's patent portfolio is managed by the patent firm BOCO, Helsinki, Finland.

Patent family 1 - filed in 1999
Patent family 1 describes how the positively charged substance, CatDex, is selectively enriched in the tumor tissue, i.e. selectively relative to normal tissue.
Patent family 1 includes approved patents in Australia, Canada, the United States, and Europe (registered in Belgium, Switzerland, Germany, France, the United Kingdom, Italy, and Sweden). The patent was valid until October 12, 2019.

Patent family 2 filed in 2008
Patent family 2, the GuaDex patent, a further development of patent family 1, describes its tumor cell-killing properties against a number of different tumors, tumor cell cultures.
Patent family 2 includes approved patents in China, Finland, Israel, the United States, Mexico, Canada, Japan, and Europe (registered in Switzerland, Germany, France, the United Kingdom, Italy, and Sweden). The patent is valid until March 6, 2028.

Patent family 3 - filed in 2008
Patent family 3, the OsteoDex patent, is a GuaDex molecule with an additional component, a bisphosphonate, which has selectivity for the skeleton, i.e. where the metastasis is located.
Patent family 3 includes approved patents in China, Japan, Canada, Israel, Mexico, Brazil and Europe (registered in Switzerland, Germany, France, United Kingdom, Italy and Sweden). The patents are valid until April 7, 2028.

Patent family 4 - filed in 2016
In June 2016, DexTech filed a patent application for an important innovation (patent family 4) regarding diagnosis (so-called companion diagnostics) and target-specific treatment of prostate cancer, PSMA. This application was approved for a patent in Finland in June 2018. In the autumn of 2017, DexTech filed an international patent application (so-called PCT application). The application has been approved and patents have been granted in Europe, Israel, Canada and Japan. The patents are valid until 2036.

Patent family 5 - filed in 2023
The company has filed a new patent application with the European Patent Office regarding GMP manufacturing of OsteoDex (GMP= good manufacturing practice). A review is ongoing. Granted application means patent protection until about 2044. Access to GMP manufacturing is a prerequisite for conducting clinical research.

Board of Directors' Report

The Board of Directors and the CEO of DexTech Medical AB (DexTech), org.nr. 556664-6203, with registered office in Stockholm, hereby submit the Annual Report for the financial year 2023-07-01 – 2024-06-30. The company is a public company.

General information about the activities

DexTech Medical develops drug candidates with applications in urological oncology, primarily prostate cancer. Operations commenced on August 9, 2004 and the Company was listed on the Spotlight Stock Market on June 19, 2014.
The company has a strong clinical foundation with valuable specialist expertise, from research laboratory and manufacturing to clinical oncology. Research and development is conducted cost-effectively through collaboration in a global network.

DexTech currently has four drug candidates, OsteoDex for the treatment of bone metastases in castration-resistant prostate cancer (mCRPC), SomaDex for the treatment of acromegaly, neuroendocrine tumors and palliative care in advanced prostate cancer**,** PSMA-binding conjugates for target-specific treatment of mCRPC, and GuaDex, which is generally specific tumor cell killing and constitutes a technology platform. *OsteoDex for the treatment of mCRPC is the company's lead candidate.* Patents/patent applications for the drug candidates are available in several key markets.

Significant events during the financial year 2023/2024

The clinical myeloma study with the Company's drug candidate OsteoDex is progressing according to plan. On August 10, 2022, the Swedish Medical Products Agency approved and granted the application for a phase 1 study regarding the effect of OsteoDex on patients with multiple myeloma. The study includes a maximum of 20 patients and is being conducted at 5 hospital centers in Sweden and Norway. The study is expected to be completed in Q4 2024.

The company's previous preclinical studies regarding the effect of OsteoDex on various myeloma cell cultures show an unequivocal effect of tumor cell killing. Even compared to Melphalan, which is a proven standard drug for the treatment of multiple myeloma (MM), OsteoDex's effect is strikingly strong. Given the similarity in the disease process in the skeleton between MM and mCRPC and existing clinical experience, we have reason to be optimistic about the MM study's prerequisites to result in proof of concept.

DexTech announced on October 13, 2023 that the Company has filed a new patent application regarding GMP production (Good Manufacturing Practice) of the company's lead candidate OsteoDex to the European Patent Office (EPO.Org). The application describes a GMP synthesis method on a larger scale that results in a product of pharmaceutical grade as well as OsteoDex use for the treatment of cancer that develops in the skeleton.

On December 13, 2023, DexTech announced that the first patient was treated during week 50 at Karolinska University Hospital in Huddinge in the myeloma study. The Phase 1 study examines the effect of OsteoDex on patients with progressive multiple myeloma (MM). The study includes a maximum of 20 patients and is initially being conducted at two hospitals in Sweden: Karolinska University Hospital Huddinge and Uddevalla Hospital. The treatment lasts for a total of 14 weeks with 2 doses per month. Three dose levels are being studied. The Principal Investigator (PI) is Dr Katarina Uttervall, MD, PhD, Department of Hematology/HERM, Karolinska University Hospital Huddinge. Analysis of biomarkers takes place at the Central Laboratory, Karolinska University Hospital Solna, NKS. Inclusion criteria include adult MM patients with relapsed (progressive) treatment-resistant disease, who received 1–5 prior lines of therapy. The primary objective is to confirm safety and tolerability and with a secondary objective to determine treatment response. Biochemical markers are analysed continuously.

DexTech announced on January 23 that the first test results from patient 1 had been received and showed a very strong effect on the marker of osteoclasts activity (CTX, osteoclasts break down bone and CTX mirrors osteoclast activity that is elevated in multiple myeloma). The value from baseline (baseline at screening) for CTX decreases after 3 doses of OsteoDex by approximately 80%. Other values are fairly constant (cf. baseline). The patient now has stable disease after completing treatment.

On April 15, DexTech Medical announced new positive results from the myeloma study. The Phase 1 study examines the *effect of OsteoDex* on patients with *progressive* multiple myeloma (MM). Progressive disease means that the disease progresses and does not respond to existing treatment. A patient who has shown a sharp reduction in skeletal biomarkers and who has now completed his treatment is found to have *stable disease* with continued low values of markers that reflect skeletal activity. Stable disease means that the disease does not develop/progress, which is very positive. The company now intends to follow patients with stable disease up to 2 years after completion of OsteoDex treatment. A so-called amendment has been submitted to the relevant authorities. The follow-up provides the Company with valuable information on how long the effect of OsteoDex lasts. Recruitment of patients is relatively slow (competing studies, inclusion requirements), which means that the completion of the study is slightly

postponed to Q2, 2025. This means that study costs are also postponed, and which means that the Company is financed throughout 2025.

Business

Through licensing deals with strategic partners in the form of major pharmaceutical companies, DexTech is looking for partners who take on the financial and operational responsibility for the continued clinical development. The licenses generate, according to the usual payment model, a one-time payment and thereafter compensation upon achievement of development goals, so-called milestone remuneration and future royalties on sales. Such partners have financial resources, experience of major clinical studies and established contacts with regulatory authorities. These partners will also in the future be responsible for the manufacture, marketing and sale of the registered medicines that may result from the development work. The value of a licensing deal after a phase IIb study where the results show treatment effect that affects the patient's survival is considered to be significant.

The timing of signing a cooperation agreement with pharmaceutical companies is a business decision that is determined by costs, risk, skills needs and the value that an additional step under its own management would add. Such collaboration agreements ensure that the projects are provided with knowledge and resources from large pharmaceutical companies at an early stage, and DexTech avoids tying up excessive resources in a single project. It is in the Company's own interest to work to minimize the time until the launch of medicines without compromising safety.

Overall objectives

- To ensure OsteoDex's continued clinical development during the financial year 2024/2025.
- To conduct the ongoing clinical proof of concept multiple myeloma study, which is expected to be completed in Q2 2025.
- To develop CatDex/GuaDex for new indications.

The Company's primary objective is to enter into an agreement with a licensee regarding OsteoDex. The stakeholders for OsteoDex consist of large organizations, which means that there is a slowness regarding the time aspect of the negotiation process. This inertia, together with the large values that must be negotiated and regulated legally by both parties, means that it is a time-consuming work that must be done before a license agreement is in place.

Prospects

DexTech's lead drug candidate OsteoDex has a unique dual mode of action, tumor-specific denaturation and inhibition of bone resorbing cells (osteoclasts). OsteoDex has been studied in a clinical phase II study with good results. There are significant similarities between bone metastases from mCRPC and Multiple Myeloma, such as growth site, bone degradation, and stimulation from osteoclasts.

These similarities have motivated DexTech's studies of OsteoDex's effects on Multiple Myeloma. In extensive preclinical studies conducted at Karolinska Institutet in Stockholm, the company has shown that OsteoDex has a very pronounced tumor cell-killing effect, which has been demonstrated on various Multiple Myeloma cell lines. OsteoDex shows strong efficacy even at low concentrations. Even compared to Melphalan, which is a proven standard drug for the treatment of multiple myeloma (MM), OsteoDex's effect is strikingly strong

The project is now being developed into clinical research and a formal protocol is being prepared. On August 10, 2022, the Swedish Medical Products Agency approved and granted the application for a phase 1 study regarding the effect of OsteoDex on patients with multiple myeloma. The study will include 20 patients and will be conducted at 3 hospital centers in Sweden. The study is expected to be completed in Q2 2025.

The intention is that the study will provide proof of concept and thus further verify OsteoDex's value as a potential cancer drug. The market for the new indication is estimated to be twice as large as that for mCRPC.

The continued clinical development of OsteoDex with the indication mCRPC, i.e. towards phase III, is very resource-intensive and requires large investments and will be carried out by a prospective larger partner. One of the motives/requirements for such an investment is patent protection, i.e. long market exclusivity. With the new synthesis patent application approved, the requirement for long-term market exclusivity is met.

Financial position and future capital needs

DexTech has until today been mainly financed by current shareholders. Since its inception in 2004, the company has raised SEK 119 million in equity. In addition, capital has been received from the Signe and Olof Wallenius Foundation of SEK 350 thousand. In addition to these direct capital injections, SEK 2.6 million has been obtained through an out-licensing of SomaDex in 2009 and in addition, many hours have been invested in the various substances through DexTech's extensive national and international network. In addition to a large network in Sweden, the company also has an extensive international network that contributes to cost-effective research and development. Work is often carried out as academic exchange projects such as doctoral studies, which lead to a doctoral degree for the student.

Going concern

Research and development of new drugs is a capital-intensive business and, as can be seen from the income statement, the Company has no revenue. The Rights Issue 2021 ensured continued operations until the end of 2025. The goal is for license revenues to finance operations thereafter.

Share

The DexTech share was listed on the Spotlight Stock Market on June 19, 2014. Trading is done under the designation DEX.

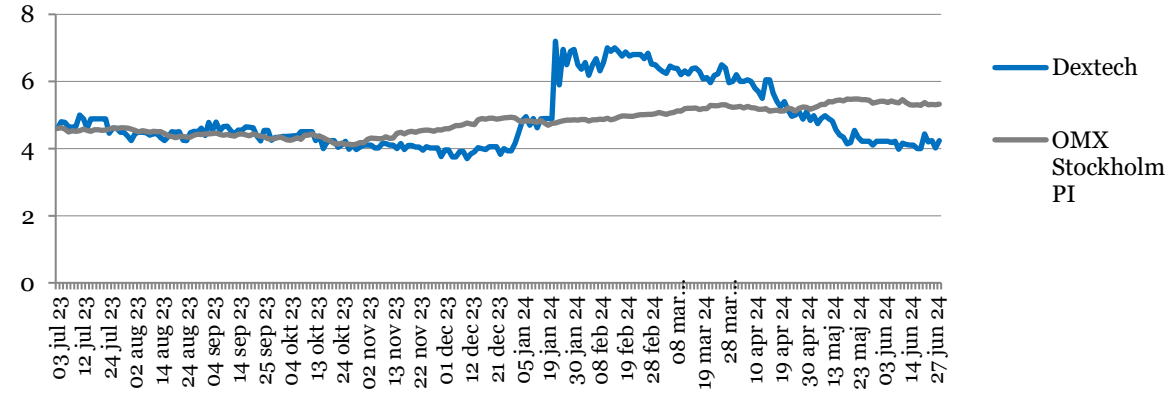
The number of outstanding shares at the beginning and end of the financial year amounted to 18,485,857.

Implemented incentive program

At the Annual General Meeting of DexTech AB on October 28, 2022, it was resolved to implement an incentive program ("TO 2022/2025") for pre-selected key employees ("Option Holders") that gave the Option Holders the opportunity to subscribe for warrants in DexTech for the market value in a directed share issue. The Board of Directors of DexTech resolved on the allocation of TO 2022/2025. The subscription price for the warrants in the directed issue was set in accordance with the terms and conditions at SEK 0.13 per warrant. Warrant holders are entitled, during the period from and including 25 November 2025 up to and including 9 December 2025, or the earlier date that follows from the complete terms and conditions, to request subscription of one (1) new share in the company for each warrant at a subscription price of SEK 25. Amounts in excess of the quota value shall be added to the unrestricted share premium reserve. As a result of TO 2022/2025, the number of shares at full exercise will increase by 200,000 shares. This corresponds to, based on the Company's current share capital, a dilution of a maximum of approximately one percent of the shares and votes. The increase in the Company's share capital may, upon full exercise of the warrants, amount to a maximum of SEK 9,000. Reservations are made for such recalculations as a result of issues, etc., that may be made in accordance with the terms and conditions of the warrants.

At the end of the financial year, the share price for DexTech Medical was SEK 4.24 and the reported equity per share was SEK 1.60. The market value amounted to SEK 78.4 million. The number of shareholders was 1,147.

Development of share price per share during the financial year 2023/2024



The OMX Stockholm PI is an index that weighs together the value of all shares listed on the Stockholm Stock Exchange and shows an overall picture of the development on the stock exchange.

Ownership table as of June 30, 2024

Name	Number of shares	Share of votes and capital (%)
Svante Wadman (including related parties)	3 969 369	21,47
Anders R Holmberg	1 573 227	8,51
Sten Nilsson	1 432 724	7,75
Donald Ericsson Fastigheter VI AB	1 124 750	6,08
Gösta Lundgren (including relatives)	1 101 341	5,96
Hans Andersson (including related parties)	1 035 848	5,60
Mats Ragnarsson Holmberg	429 656	2,32
Peter Kanekrans	383 329	2,07
Jan-Erik Linden	291 938	1,58
Other	7 143 675	38,64
Completely	**18 485 857**	**100,00**

Liquidity Provider

The company has appointed Sedermera Fondkommission as a liquidity provider (market maker) for its share in connection with the listing on Spotlight Stock Market. The purpose is to promote good liquidity in the share and ensure a low spread between the bid and ask price in current trading. According to the agreement, Sedermera shall ensure a spread between the bid and ask price of a maximum of 6 percent. On the buy and sell side, Sedermera will secure a volume corresponding to approximately SEK 5,000. The undertaking commenced in connection with the Company's listing on Spotlight Stock Market.

Development of share capital

Year	Event	Quota value	Increase in the number of shares	Increase in share capital	Total number of shares	Total share capital	Paid including premium	Company value pre money
2004	Formation	100	1 000	100 000	1 000	100 000	100 000	0
2006	New share issue	100	1 100	110 000	2 100	210 000	860 000	781 818
2006	New share issue	100	234	23 400	2 334	233 400	750 000	6 730 769
2007	New share issue	100	123	12 300	2 457	245 700	2 500 000	47 439 024
2010	Share split (100:1)	1	243 243	-	245 700	245 700	-	-
2010	New share issue	1	6 143	6 143	251 843	251 843	2 500 201	99 999 900
2011	New share issue	1	25 185	25 185	277 028	277 028	8 499 939	84 997 027
2013	New share issue	1	5 540	5 540	282 568	282 568	1 994 400	99 730 080
2014	Bonus issue	1,8	-	226 054	282 568	508 622	-	-
2014	Share split 40:1	0,045	11 020 152	-	11 302 720	508 622	-	-
2014	New share issue	0,045	2 860 000	128 700	14 162 720	637 322	30 030 000	118 678 560
2016	New share issue	0,045	590 113	26 555	14 752 833	663 877	15 342 938	368 230 720
2019	New share issue	0,045	167 645	7 544	14 920 478	671 422	10 058 700	885 169 980
2021	New share issue	0,045	3 565 379	160 442	18 485 857	831 864	46 349 927	193 966 214

Related party transactions

Apart from remuneration and issuance of warrants to the Board members Andreas Segerros and Peter Benson as well as remuneration to the CEO and CFO, there are no related party transactions to report.

Material risks and uncertainties

A number of risk factors may have a negative impact on the operations of DexTech. It is therefore of great importance to consider relevant risks alongside DexTech's growth opportunities. Risk factors are described below in no particular order and without claiming to be comprehensive.

Industry and company-related risks

Limited historical revenue

DexTech was founded in 2004 and has since conducted research and development with the aim of developing drug candidates that in clinical studies will be developed into approved drugs. The company has not yet, either individually or through partners, launched any drug on the market and has no recurring revenue. The company has not conducted sales or generated any sales revenues from approved medicines. The limited revenues the Company has had so far come from a license agreement that the Company has withdrawn.

DexTech is dependent on a positive outcome of the clinical studies that the Company conducts or intends to conduct as well as approval from authorities before sales of the drug candidates can begin. There is a risk that DexTech's drug candidates do not show sufficiently positive properties in the clinical studies and/or that approval from authorities is not forthcoming. If this is the case, there is a risk of a missed future launch of medicines and a loss of revenue.

Clinical studies

Before a medicine can be placed on the market, the safety and efficacy of the treatment of humans must be ensured for each individual indication, as demonstrated by preclinical studies conducted in animals and clinical studies in humans. The pharmaceutical industry in general and clinical studies in particular are associated with great uncertainty and risks regarding delays and results in the studies. Outcomes from preclinical studies do not always correspond to the results achieved in clinical studies. Results from early clinical studies also do not always correspond with results in more extensive studies. If DexTech or its partners cannot sufficiently demonstrate that a

drug is safe and effective, through clinical studies, the Company may be adversely affected, which may result in non-approval from authorities and thus lack of commercialization and reduced or lost cash flow. There is a risk that the partners who carry out the clinical studies will not be able to maintain the clinical and regulatory quality required for future regulatory approval. There is also a risk that the authorities will not find that the clinical study(s) that form the basis for an application for regulatory approval are sufficient.

Side effects

There is a risk that patients who either participate in clinical studies with DexTech's drug candidates or otherwise come into contact with DexTech's drug candidates will suffer side effects. The consequences of such potential adverse events may delay or stop further product development and limit or prevent the commercial use of the products, thereby affecting DexTech's sales, results of operations and financial position. Another consequence is that DexTech may be sued by patients who may suffer from side effects, in which case DexTech may be liable for damages.

Partners

DexTech has collaborations with a number of partners. There is a risk that one or more of these will choose to break off their cooperation with the Company, which could have a negative impact on the business. There is also a risk that DexTech's partners do not fully meet the quality requirements set by the Company. Likewise, the establishment of new partners may be more costly and/or take longer than the Company calculates.

Financing needs and capital

DexTech's initiated and planned clinical studies and development work entail significant costs and the Company has so far lacked recurring revenues. There is a risk that the Company will not succeed in generating substantial and recurring revenues, which is why there is a risk that the Company will not achieve positive results in the future. Any delays in clinical studies may result in cash flow being generated later than planned. DexTech has at the end of 2021 completed a rights issue that ensures continued operations until the end of 2025. The goal is for license revenues to finance operations thereafter. The future capital requirement is also affected by whether DexTech can achieve partnerships/co-financing. DexTech may need to raise additional capital going forward depending on how much revenue the Company manages to generate in relation to its cost base. There is a risk that DexTech will not be able to raise additional capital, achieve partnerships or other co-financing, or that such financing will not be available on terms that are favourable to existing shareholders. This may result in development being temporarily halted or DexTech being forced to conduct business at a slower pace than desired, which may lead to delayed or non-commercialization and revenues. This may adversely affect the Company's operations.

Manufacturers and suppliers

The company has collaborations with suppliers and manufacturers. There is a risk that one or more of these choose to break off their cooperation with the Company, which could have a negative impact on the business. There is also a risk that current and/or future suppliers and manufacturers may not fully meet the quality requirements set by the Company or otherwise fully meet its commitments to DexTech. In its operations, the company is to some extent dependent on cooperating with other parties both for the development of products and for their commercialization. If existing collaborations function unsatisfactorily or are terminated, the Company may be forced to seek out other partners, which may be more costly and/or take longer than the Company calculates. Such a scenario may adversely affect the Company's operations and earnings.

Collaborations and out-licensing

DexTech is and will continue to be dependent on being able to find a licensing partner to conduct major clinical studies and/or in the marketing and sale of pharmaceuticals. In addition to the opportunities that exist for traditional out-licensing, DexTech's management is evaluating different types of innovative forms of collaboration with major pharmaceutical companies and/or CRO partners. There is a risk that no agreements or collaborations will be reached or that such agreements cannot be reached on such favourable terms as the Company would like or that partners will not fulfil their commitments in a successful manner. Failure to enter into cooperation agreements or partners who are unsuccessful in their efforts to successfully market the use of pharmaceuticals may result in reduced or lost revenues for DexTech.

In connection with a licensing agreement, one-time payment, milestone payments and royalties are expected on future sales. Anticipated milestone payments may be frozen for reasons that are disputed, or due to milestones not being met. Anticipated volume targets may be delayed or not delivered, whereby royalties may be delayed or not delivered at all.

Authorisation and registration by the authorities

In order to produce, market and sell medicines, authorisation must be obtained and registration must take place with the relevant authorities in the respective markets, such as the Food and Drug Administration ("FDA") in the US and the European Medicines Agency ("EMA") in Europe. In the event that DexTech or its partners, if any, fail to obtain the necessary permits and registrations from authorities, the Company may be adversely affected in the form of reduced or lost revenues. The rules and interpretations that apply today may change in the future, which may affect the Company's ability to meet the requirements of various authorities. Permits and registrations may be withdrawn after the Company or its partners have received them. Thus, changes in rules and interpretations as well

as revoked permits and registrations may also constitute future risk factors. In summary, decisions by the authorities may adversely affect DexTech's opportunities for revenue and the Company's financial position.

Key people, employees and consultants

DexTech's key employees, employees and consultants have extensive expertise and extensive experience in the Company's area of activity. A loss of one or more persons may have negative consequences for the Company's operations and earnings. It is not possible to fully protect oneself against unauthorized dissemination of information, which entails a risk that competitors may benefit from and benefit from the know-how developed by DexTech, which could be detrimental to the Company.

Competitors

There is fierce competition in the pharmaceutical industry. There are many companies, universities and research institutions that conduct research and development of medicines. Thus, there are several potential competitors to DexTech and its future collaborators. Some of the Company's competitors are multinational companies with large financial resources. If a competitor succeeds in developing and launching an effective and safe drug within the Company's area of operation, this may entail risks in the form of reduced sales opportunities. Furthermore, companies with global operations that currently work with related areas may decide to establish themselves within the Company's area of operation. Increased competition may result in negative sales and earnings effects for the Company in the future.

Patents and other intellectual property rights

DexTech is partly dependent on the ability to obtain and defend patents, other intellectual property rights and specific knowledge. Patent protection for medical and biotechnology companies can be uncertain and involve complex legal and technical issues. Patents typically need to be applied for and maintained in several different jurisdictions. Patents, which form an important part of DexTech's assets, have a limited lifespan.

There is a risk that the existing and/or future patent portfolio and other intellectual property rights held by the Company will not constitute adequate commercial protection. If DexTech is forced to defend its patent rights against a competitor, this could entail significant costs, which could adversely affect DexTech's business, results of operations and financial position. Furthermore, there is always a risk in the type of business that the Company conducts that DexTech may make or allegedly infringe patents held by third parties. Other players' patents may also limit the opportunities for one or more of the Company's future partners to freely use the drug or production method in question. Nor can it be ruled out that new patents in the field or new discoveries may affect the business. The uncertainty associated with patent protection makes the outcome of such disputes difficult to predict. Negative outcomes of intellectual property disputes can lead to loss of protection, prohibition to continue to use the right in question or an obligation to pay damages. The possibility of concluding important cooperation agreements may also be impaired. In addition, the costs of a possible dispute, even in the event of an outcome favourable to DexTech, could be significant, which could adversely affect the Company's earnings and financial position. The above could entail difficulties or delays in the commercialization of future drugs and thus also difficulties in generating revenue.

DexTech is also to some extent dependent on know-how and trade secrets, which are not protected by law in the same way as intellectual property rights. The company uses confidentiality agreements and thereby strives for far-reaching protection of sensitive information. However, it is not possible to fully protect oneself against the unauthorised dissemination of information, which entails a risk that competitors may benefit from and benefit from the know-how developed by DexTech, which could be detrimental to DexTech.

Development costs

In parallel with preclinical and clinical studies, DexTech will continue to conduct research and development primarily regarding drugs in urological oncology. Time and cost aspects in this area can be difficult to determine with precision in advance. This entails a risk that the research and development work may be more costly and time-consuming than planned.

Product liability

Considering the nature of the business, it is relevant to consider DexTech's product liability, which (regardless of the origin of the technology) arises when the Company develops and commercializes products. The company will need to review the insurance coverage at each planned clinical study and there will most likely, at each planned study, be limitations in the scope of the insurance coverage and its limits in terms of amounts. There is therefore a risk that the Company's insurance coverage will not be able to fully cover any future legal claims, which could adversely affect DexTech's operations and results. There is also a risk that suitable insurance cannot be obtained or obtained at an acceptable premium.

Economic development

DexTech's drug development business is affected by external factors such as supply and demand for pharmaceuticals, global economic developments, inflation and interest rate changes, which among other things affect the willingness of potential license partners to invest. This can have a negative impact on, among other things, operating expenses, sales prices and share valuation.

Currency risk

Part of DexTech's costs are paid in various international currencies and a portion of DexTech's future sales revenues and expenses may accrue in international currencies. Exchange rates may change materially, which could adversely affect the Company's costs and future revenues.

Political risk

In its research and development work, through collaborations, the company is active in a large number of different countries and intends to conduct global sales of pharmaceuticals together with, or through, partners. Risks can arise from changes in laws, taxes, duties, exchange rates and other conditions for foreign companies. DexTech is also affected by political and economic uncertainties in these countries. The company may also be adversely affected by any domestic policy decisions. The above may have negative consequences for the Company's operations and earnings.

Pricing of medicines

DexTech's business model includes out-licensing of pharmaceuticals. In the event that the pricing of pharmaceuticals in general falls, there is a risk that this may negatively affect DexTech's earnings opportunities. In some countries, the pricing of many types of medicines is determined at the level of the authorities. In the event of a pharmaceutical launch, pricing may be regulated by authorities in several countries. The lower the pricing of a drug, the poorer the revenue opportunities for DexTech. There is thus a risk that the pricing of drugs developed by DexTech may be lower than what the Board of Directors of DexTech calculates.

Equity-related risks

Price fluctuations and liquidity

There is a risk that the share price will undergo large fluctuations in connection with an introduction on a marketplace. Price fluctuations can arise from large changes in buying and selling volumes. The price fluctuations may adversely affect the Company's share price. Any operational setbacks may have a negative impact on the Company's valuation. The liquidity of the share affects the ability to trade in the share at the desired time.

Psychological factors

The stock market in general and DexTech's stock in particular may be affected by psychological factors. The company's share may be affected in the same way as all other shares that are regularly traded on different lists. Psychological factors and their effects on the share price are in many cases difficult to predict and may adversely affect DexTech's share price.

Dividend

DexTech has so far not paid any dividends. DexTech is in a development phase and any surpluses are planned to be invested in the Company's development. There is a risk that any future cash flows are below the Company's capital requirements or that decisions on future dividends will not be made.

Share sales from major shareholders, the Board of Directors and senior executives

Board members, senior executives and major shareholders who hold shares in the Company view their shareholdings as a long-term investment. There is a risk that board members, senior executives and/or current shareholders who have previously signed lock-up agreements will divest part or all of their holdings in the Company. This may adversely affect the Company's share price. At the moment, there are no lock-up agreements.

Marketplace

DexTech is listed on the Spotlight Stock Market. Spotlight Stock Market is an auxiliary company name to ATS Finans AB, which is an investment company under the supervision of the Swedish Financial Supervisory Authority. Spotlight Stock Market operates a trading platform (MTF). Shares listed on Spotlight Stock Market are not subject to as extensive regulations as shares admitted to trading on regulated markets. Spotlight Stock Market has its own regulatory system, which is adapted for smaller companies and growth companies, to promote good investor protection. As a result of differences in the scope of the various regulations, an investment in shares traded on Spotlight Stock Market may be riskier than an investment in shares traded on a regulated market.

Organization

The Board consists of Chairman Andreas Segerros and members Per Asplund, Peter Benson, Rolf Eriksson and Svante Wadman. The CEO is Anders R Holmberg.

Key

Sten Nilsson, (b.1948), MD, PhD, Professor of Oncology, is an internationally recognized authority on urological oncology. He has extensive experience in the design and execution of early clinical studies, such as Algeta's Radium-223 studies which subsequently led to the approval of a new drug, Xofigo.

Anders R Holmberg (b.1951), MD and chemical engineer, is a specialist in glycosylation chemistry with> 30 years of experience in this field including process development.

Marcela Márquez (b.1960), Professor of Biotechnology.

Executive Board
Sten Nilsson, Board Member
Anders R Holmberg, Member
The Executive Board was formed in 2023 and is tasked with supporting the Board in medical matters.

Scientific Advisory Board

DexTech has a large national and international network that contributes to cost-effective research and development.

Lennart Meurling, Associate Professor of Organic Chemistry. Meurling has over 30 years of experience in senior positions in the pharmaceutical industry and pharmaceutical control in healthcare. Meurling has been a shareholder in DexTech since 2006.

Marcela Márquez, Professor of Biotechnology. Marcela Márquez is married to Anders R Holmberg.

Ulf Lerner, PhD, professor. Lerner is a leading specialist in bone and bone disease (Oral Cell Biology, Umeå University, Centre for Bone and Arthritis Research, Institute of Medicine, University of Gothenburg).

Meir Wilchek, Professor, Chemistry & Biophysics, The Weizmann Institute of Science, Israel. Wilcheck is a scientific advisor to DexTech.

Networks and collaborations

In addition to a large network in Sweden, the Company also has an extensive international network that contributes to cost-effective research and development. Work is often carried out as academic exchange projects, e.g. doctoral studies leading to a doctoral degree for the student.

Europe

- Helsinki University Hospital, Finland
- European Institute of Oncology, Milan, Italy
- Atlantic Bone Screen, Nantes, France
- Ångström lab. Uppsala University, Sweden
- Pharmaplus Consultancy, The Netherlands
- University Trás-os-Montes and Alto Douro, Vila Real, Portugal

Middle East/Asia

- King Feisal Research Center, Ryijad, Saudi Arabia
- The Weizmann Institute of Science, Israel
- Shandong University Hospital, Shandong, China
- Beijing University, Beijing, China

North America

- Memorial Sloan-Kettering Cancer Center (MSKCC), New York, USA
- UANL, Monterrey, Mexico
- UDEM/Mougerza Hospitals, Monterrey, Mexico
- TechSphere Corp. Mexico City, Mexico

South America

- Ipiranga University Hospital, Sao Paolo, Brazil

For the implementation of the phase I/IIa study, Harrison Clinical Research, HCR, was engaged as a CRO company. For the phase IIb study, the Company has engaged SynteractHCR Inc as a CRO company until 2015. With the change in study design in early 2016, Crown-CRO Oy was hired as GCP manager (good clinical practice) for the OsteoDex study. For the production of substances for the implementation of the studies, the Company has engaged Biovian Ltd, Turku, Finland.

Financial overview

Kronor	*2023-07-01 2024-06-30*	*2022-07-01 2023-06-30*	*2021-07-01 2022-06-30*	*2020-07-01 2021-06-30*	*2019-07-01 2020-06-30*
Net sales	–	–	–	-	-
Profit after net financial items	-4 705 567	-4 590 427	-5 269 669	-6 075 224	-7 713 785
Earnings per share	-0,25	-0,25	-0,31	-0,41	-0,52
Cash and cash equivalents	19 042 765	25 235 567	35 472 553	3 456 700	6 091 442
Balance sheet total	30 587 995	35 031 477	39 589 447	7 233 610	13 343 751
Equity ratio %	97	98	98	97	98
Cash flow from operating activities	-807 616	-1 552 179	-2 000 088	-1 999 767	-2 260 873
Cash flow from investing activities	-5 385 186	-8 710 807	-3 115 500	-634 975	-596 336
Cash flow from financing operations	0	26 000	37 131 441	-	8 937 368
Cash flow for the year	-6 192 802	-10 236 986	32 015 853	-2 634 742	6 080 159

Appropriation of earnings

The Board of Directors proposes that the funds available to the following

Premium reserve	105 195 317
Retained earnings	-82 621 757
Profit for the year	-4 705 567
	17 867 993
be allocated so that	
To be recounted,	17 867 993
	17 867 993

The results of the company's operations and the financial position at the end of the financial year are otherwise shown in the subsequent income statements and balance sheets with associated notes.

Income statements

Kronor	Note	2023-07-01 2024-06-30	2022-07-01 2023-06-30
Net sales		-	-
Activated work on own account		5 385 186	8 710 807
		5 385 186	**8 710 807**
Operating expenses			
Other external costs		-6 089 147	-9 526 986
Personnel costs	2	-1 156 434	-1 058 815
Depreciation and amortisation of tangible and intangible fixed assets	3	-3 688 561	-3 064 308
		-10 934 142	**-13 650 109**
Operating income		**-5 548 956**	**-4 939 302**
Profit from financial items			
Interest income and similar income	4	843 389	348 875
Profit before tax		**-4 705 567**	**-4 590 427**
Tax		**-**	**-**
Profit for the year		**-4 705 567**	**-4 590 427**

Balance sheets

Kronor	Note	2024-06-30	2023-06-30
ASSETS			
Fixed assets			
Intangible fixed assets			
Retained expenditure on development and related work	5	10 657 361	8 966 037
Patent	6	250 468	245 167
		10 907 829	**9 211 204**
Financial fixed assets			
Other long-term securities holdings	7	1 000	1 000
Total fixed assets		**10 908 829**	**9 212 204**
Current assets			
Current receivables			
Other receivables		133 293	111 398
Deferred expenses and accrued income		503 108	472 308
		636 401	**583 706**
Cash and bank		19 042 765	25 235 567
Total current assets		**19 679 166**	**25 819 273**
TOTAL ASSETS		**30 587 995**	**35 031 477**
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital		831 864	831 864
Development fund		10 907 829	9 211 204
		11 739 693	**10 043 068**
Free equity			
Premium reserve		105 195 317	105 195 317
Retained Profit or Loss		-82 621 757	-76 334 705
Profit for the year		-4 705 567	-4 590 427
		17 867 993	**24 270 185**
Total equity		**29 607 686**	**34 313 253**
Current liabilities			
Accounts payable		278 146	146 201
Other liabilities		9 105	23 105
Accrued expenses and deferred income		693 058	548 918
Total liabilities		**980 309**	**718 224**
TOTAL EQUITY AND LIABILITIES		**30 587 995**	**35 031 477**

Report on changes in equity

	Restricted equity		Free equity			
Kronor	Share-capital	Developmental-fund	Premium fund	Retained earnings	Profit/loss for the year	Totally own capital
Equity 2023-07-01	831 864	9 211 204	105 195 317	-76 334 705	-4 590 427	34 313 253
Conversion of previous year's result				-4 590 427	4 590 427	0
Change Development Fund		1 696 625		-1 696 625		0
Profit for the year					-4 705 567	-4 705 567
Equity 2024-06-30	**831 864**	**10 907 829**	**105 195 317**	**-82 621 757**	**-4 705 567**	**29 607 686**

	Restricted equity		Free equity			
Kronor	Share-capital	Developmental-fund	Premium fund	Retained earnings	Profit/loss for the year	Totally own capital
Equity 2022-07-01	831 864	3 564 705	105 195 317	-65 444 537	-5 269 669	38 877 679
Conversion of previous year's result				-5 269 669	5 269 669	0
Warrant program				26 000		26 000
Change Development Fund		5 646 499		-5 646 499		0
Profit for the year					-4 590 427	-4 590 427
Equity 2023-06-30	**831 864**	**9 211 204**	**105 195 317**	**-76 334 705**	**-4 590 427**	**34 313 253**

Cash flow statement

Kronor	Note 8	2023-07-01 2024-06-30	2022-07-01 2023-06-30
Ongoing operations			
Profit after financial items		-4 705 567	-4 590 427
Adjustments for items that are not included in the cash flow, etc.		3 688 561	3 064 308
		-1 017 006	-1 526 119
Taxes paid		-	-
Cash flow from operating activities before Changes in working capital		-1 017 006	-1 526 119
Cash flow from changes in working capital			
Increase(-)/decrease(+) in operating receivables		-52 695	-32 516
Growth(+)/Decrease(-) in operating liabilities		262 085	6 456
Cash flow from operating activities		-807 616	-1 552 179
Investment			
Acquisition of intangible fixed assets		-5 385 186	-8 710 807
Cash flow from investing activities		-5 385 186	-8 710 807
Financing activities			
Warrant program		-	26 000
Cash flow from financing operations		-	26 000
Cash flow for the year		**-6 192 802**	**-10 236 986**
Cash and cash equivalents at the beginning of the year		25 235 567	35 472 553
Cash and cash equivalents at year-end		**19 042 765**	**25 235 567**

Sheet music

Amounts in SEK unless otherwise stated.

Note 1 Accounting policies

General accounting principles
The Annual Report has been prepared in accordance with the Annual Accounts Act and in accordance with the Swedish Accounting Standards Board's general guidelines BFNAR 2012:1 Annual Report, K3. The accounting principles are unchanged compared with previous years.

Intangible assets
Expenses for research, i.e. planned and systematic search with the aim of obtaining new scientific or technical knowledge and insight, are reported as costs when they arise.
When accounting for development expenses, the activation model is applied. This means that expenditure incurred during the development phase is reported as an asset when all of the following conditions are met:
- It is technically possible to complete the intangible fixed asset so that it can be used or sold.
- The intention is to complete the intangible fixed asset and to use or sell it.
- Prerequisites exist for using or selling the intangible fixed asset.
- It is likely that the intangible fixed asset will generate future economic benefits.
- There are the necessary and adequate technical, financial and other resources to complete the development and to use or sell the intangible fixed asset.
- The expenses related to the intangible fixed asset can be reliably calculated.

Internally accumulated intangible fixed assets are recognised at cost less accumulated depreciation and impairment. The cost of an internally accrued intangible fixed asset consists of all directly attributable expenses (e.g. materials and salaries). Depreciation of an intangible fixed asset begins when the asset can be used.
Other intangible fixed assets
Other intangible non-current assets acquired are recognised at cost less accumulated depreciation and amortisation.
Impairment losses on intangible non-current assets
At each balance sheet date, it is assessed whether there is any indication that an asset's value is lower than its carrying amount. If such an indication is present, the recoverable value of the asset is calculated.

Financial assets and liabilities
Financial assets and liabilities are accounted for in accordance with Chapter 11 (Financial Instruments) measured on the basis of acquisition value) in BFNAR 2012:1.

Accounting in and removal from the balance sheet
A financial asset or financial liability is recorded on the balance sheet when the company becomes a party to the the contractual terms of the instrument; A financial asset is removed from the balance sheet when it
The contractual right to the cash flow from the asset has expired or been settled. The same applies when the risks and benefits associated with the holding have been transferred in all material respects to another party and the company no longer has control over the financial asset. A financial liability is removed from the balance sheet when the agreed obligation has been fulfilled or terminated.

Valuation of financial assets
Financial assets are measured at cost at first recognition, including any transaction expenses directly attributable to the acquisition of the asset.

Foreign currency
Foreign currency transactions
Transactions in foreign currency are translated into the functional currency at the exchange rate that is available on the date of the transaction. Functional currency is SEK. Monetary assets and liabilities denominated in foreign currency are translated into the functional currency at the exchange rate prevailing on the balance sheet date. Exchange rate differences arising from the recalculations are recognised in profit or loss for the year. Capital gains and
Capital losses on operating receivables and liabilities are recognised in operating profit, while capital gains and exchange losses on financial receivables and liabilities are recognized as financial items.

Take
The inflow of economic benefits that the company has received or will receive on its own account is recognized as revenue. Revenue is valued at the fair value of what has been or will be received, less discounts.

Employee compensation
Compensation to employees is reported in line with accrual and consists of salaries, paid holidays, paid sick leave and other remuneration. The company has no agreements on pension benefits or pension provisions.

Share-based remuneration
The company has an ongoing incentive program for two members of the Board of Directors. Warrant holders are entitled, during the period from and including 25 November 2025 up to and including 9 December 2025, or the earlier date that follows from the complete terms and conditions, to request subscription of one (1) new share in the company for each warrant at a subscription price of SEK 25. Amounts in excess of the quota value shall be added to the unrestricted share premium reserve.

Notice period and other conditions regarding the CEO
There is no notice period or other special agreements for the Company's CEO.

Leasing
All leases are reported as operational.

Depreciation
Depreciation takes place on a straight-line basis over the asset's estimated useful life. Depreciation is recognized as an expense in the income statement.

Financial income
Financial income consists of interest income and is reported in the period to which it relates.

Cash flow statement
The cash flow statement is prepared according to the indirect method. The reported cash flow only includes transactions that entail incoming or outgoing payments.

Note 2 Employees and personnel costs

	2023-07-01 2024-06-30	**2022-07-01 2023-06-30**
Average number of employees		
Women	0	0
Men	1	1
	1	**1**
Wages, allowances and social security costs		
Salaries and other remuneration to the Board of Directors and the CEO	1 002 192	935 343
Other social security costs	81 792	61 766
	1 083 984	**997 109**

Note 3 Depreciation and impairment

Fixed assets are amortised according to plan over the expected useful life by consideration of significant residual value. The following depreciation percentage is applied:

	2023-07-01 2024-06-30	**2022-07-01 2023-06-30**
Intangible fixed assets		
Concessions, patents, licences, trademarks and retained expenditure, term of use:	5 years	5 years

Note 4 Other interest income and similar income

	2023-07-01 2024-06-30	2022-07-01 2023-06-30
Interest income, bank	843 236	348 842
Other interest income	153	33
	843 389	**348 875**

Note 5 Retained expenditure on development and similar works

	2024-06-30	2023-06-30
Accumulated acquisition values		
Accumulated acquisition value at the beginning of the year	62 774 280	54 106 937
Capitalization	5 225 079	8 667 343
Accumulated acquisition values at year-end	**67 999 359**	**62 774 280**
Accumulated depreciation		
Accumulated depreciation at the beginning of the year	-53 808 243	-50 931 439
Depreciation for the year	-3 533 755	-2 876 804
Closing accumulated depreciation	**-57 341 998**	**-53 808 243**
Carrying amount at year-end	**10 657 361**	**8 966 037**

Note 6 Concessions, patents, licences, trademarks and similar rights

	2024-06-30	2023-06-30
Accumulated acquisition values		
Accumulated acquisition value at the beginning of the year	4 657 527	4 634 199
Purchase	160 107	23 328
Accumulated acquisition values at year-end	**4 817 634**	**4 657 527**
Accumulated depreciation		
Accumulated depreciation at the beginning of the year	-4 412 360	-4 244 992
Depreciation for the year	-154 806	-167 368
Closing accumulated depreciation	**-4 567 166**	**-4 412 360**
Carrying amount at year-end	**250 468**	**245 167**

Note 7 Other long-term securities holdings

	2024-06-30	2023-06-30
Shares in unlisted shares	1 000	1 000
	1 000	**1 000**

Note 8 Additional information to the cash flow statement

	2023-07-01 2024-06-30	2022-07-01 2023-06-30
Adjustments for items not included in cash flow, etc.		
Depreciation and amortisation of assets	3 688 561	3 064 308
	3 688 561	**3 064 308**

Interest paid	2023-07-01 2024-06-30	2022-07-01 2023-06-30
Interest received	791 834	274 698
Interest paid	-	-

Note 9 Significant events after the end of the financial year
After the end of the financial year, on August 12, 2024, DexTech Medical announced new positive results from the myeloma study. The Phase 1 study examines the effect of OsteoDex on patients with progressive multiple myeloma (MM). Progressive disease means that the disease progresses and does not respond to existing treatment. The first dose group (3mg/kg) is now ready and the DMC (Data Monitoring Committee) has approved the start of dose group 2 (6mg/kg). DMC assesses all analysis results to decide on the next higher dose. No side effects related to OsteoDex have been noted. All patients show a decrease in skeletal biomarkers. Three out of four patients have stable disease after completion of treatment (stable = no progression of the disease). Patients with stable disease will be followed up until new progress according to the approved amendment, which provides information on how long the treatment effect lasts.

Note 10 Definitions
Adjusted equity
Adjusted equity is calculated as the sum of reported equity + 79.4% of the company's untaxed reserves.
Equity per share
Adjusted equity in relation to the number of shares on the balance sheet date.
Cash and cash equivalents
Cash, bank deposits and short-term investments with a remaining lock-in period of less than three months from the balance sheet date.
Earnings per share
Profit for the year in relation to the average number of shares during the year.
Solidity
Adjusted equity in relation to total assets.

Signed electronically. Dating according to our electronic signature

Andreas Segerros Chairman	Per-Olov Asplund	Peter Benson
Rolf Eriksson	Svante Wadman	Anders Holmberg Chief executive officer

Auditor's report

Our auditor's report has been submitted on the date stated in our electronic signature

KPMG AB

Per Hammar
Authorized Public Accountant

Auditor's Report

To the general meeting of the shareholders of Dextech Medical AB (publ), corp. id 556664-6203

Report on the annual accounts

Opinions

We have audited the annual accounts of Dextech Medical AB (publ) for the financial year 2023-07-01—2024-06-30.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act, and present fairly, in all material respects, the financial position of Dextech Medical AB (publ) as of 30 June 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of Dextech Medical AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Other Information than the annual accounts

This document also contains other information than the annual report and can be found on pages 1-8. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and that they give a fair presentation in accordance with the Annual Accounts Act. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.
In preparing the annual accounts The Board of Directors and the Managing Director are responsible for the assessment of the company's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's, use of the going concern basis of accounting in preparing the annual accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts, we have also audited the administration of the Board of Directors and the Managing Director of Dextech Medical AB (publ) for the financial year 2023-07-01—2024-06-30 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of Dextech Medical AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's type of operations, size and risks place on the size of the company's equity, consolidation requirements, liquidity and position in general.
The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

Uppsala 20 September 2024

KPMG AB

Per Hammar
Authorized Public Accountant