


DexTech

Know-how in Translational Research



Invitation to subscribe for shares

DexTech Medical AB

The following summary is not an offer but is to be seen as an introduction to DexTech Medical AB ("DexTech" or the "Company") and the prospectus describing the offer in its entirety. Thus, this document does not necessarily contain all information for an investment decision to be made. Investors are advised to consult the prospectus, which is available on DexTech's website (www.dextechmedical.com), before making an investment decision to take note of the potential risks associated with the decision to invest in the securities. DexTech Medical AB, org.no. 556664-6203.

This document is an unofficial translation of the Swedish original. In case of any discrepancies between the Swedish original and the English translation the Swedish document shall prevail.

An introduction to DexTech

DexTech develops drug candidates with applications in urological oncology, mainly prostate cancer. Based on the patented technology platform, GuaDex, the Company has developed four different drug candidates with patents and patent applications in several key markets. Earlier this year, the Company announced that the primary candidate, OsteoDex, has shown a very significant tumor cell-killing pre-clinical effect against the incurable blood disease multiple myeloma. The market for multiple myeloma is very large and is forecasted to have strong positive growth during the coming years. DexTech now intends to conduct a clinical "proof of concept" study to further verify the great potential of the drug candidate.

Background

DexTech was founded in 2004 and is active within drug development, mainly in urological oncology, but also against other cancers. The drug candidates are developed through DexTech's patented technology platform, GuaDex. The Company's business model is based on outlicensing the drug candidates to the pharmaceutical industry, after conducting phase II studies. The licenses should generate one-time payments and thereafter compensation for achieved development goals, so-called milestone compensation, as well as future royalties on sales. The Company has a strong clinical foundation with valuable specialist expertise from research and manufacturing to clinical oncology. Research and development is conducted cost-effectively through collaborations in a national and international network, consisting of representatives from prominent hospitals and universities.

DexTech's research, based on the technology platform, has so far resulted in four drug candidates, of which the main candidate OsteoDex is one of them. The development potential of the platform is significant and is largely unexploited. Also, the technology platform can be outlicensed for other specific applications, which can create many business opportunities.

The main candidate OsteoDex

After a clinical phase II study in patients with skeletal metastatic castration-resistant prostate cancer (mCRPC), OsteoDex showed very positive results. There are important similarities between skeletal metastases from mCRPC and multiple myeloma, such as disease process in the skeleton with bone degradation by stimulation of osteoclasts. This has justified DexTech's pre-clinical studies regarding OsteoDex effects on multiple myeloma. In extensive pre-clinical studies, conducted at Karolinska Institutet in Stockholm, the Company has shown that OsteoDex has a significant tumor cell killing effect, also at very low concentrations. This has been shown on

several tumor cell lines with multiple myeloma. OsteoDex mechanism of action fits well for treatment of multiple myeloma. In addition, and unlike existing drugs, OsteoDex lacks serious side effects.

The results from the studies are convincing, why the Company is now planning a clinical "proof of concept" study. The study is expected to be completed after two years, with the opportunity to continuously present interim results. It is the Company's assessment that OsteoDex has the potential to become an important complement to existing myeloma treatments, in particular with regard to the drug candidate's mild side effects.

Future outlook for Multiple Myeloma

Multiple myeloma is a type of blood cancer that originates from plasma cells in the bone marrow, with simultaneous destruction of bone by interaction with osteoclasts (similar to mCRPC). The disease is incurable and pre-existing treatments, which have an inhibitory effect, often lead to severe side effects. The global market size for multiple myeloma was valued at approximately USD 19.5 billion in 2018 and is expected to grow to approximately USD 31 billion by 2026, which is more than twice the market size for CRPC¹. Although the main indication for OsteoDex is treatment of mCRPC, positive results in the treatment of multiple myeloma will strengthen the possibilities for a favourable licensing agreement and at the same time strengthen the value of OsteoDex as a potential cancer drug.

Given the market size for multiple myeloma as well as OsteoDex potential against the disease, DexTech believes it is essential to develop supplementary and confirming clinical data through the planned clinical "proof of concept" study. The Company believes that such data will have a positive impact on the value of a license agreement. Thus, DexTech only intends to enter into licensing agreements that reflect the full value of the drug candidate, i.e. that includes the potential for multiple myeloma.

Rights issue in order to execute the planned clinical study

DexTech is now carrying out a rights issue of approximately SEK 58.2 million with the aim of financing the Company's planned "proof of concept"-study, regarding the effect of OsteoDex on multiple myeloma. Approximately 80 percent of the rights issue is secured in advance through pre-subscription and guarantee commitments.

1. Fortune Business Insights. Multiple Myeloma Market Size, Share & Industry Analysis, by Drug Class (Immunomodulators, Proteasome Inhibitor, Anti-CD38 Monoclonal Antibody, Alkylating Agents, and Others), By Distribution Channel (Hospital Pharmacies, Retail Pharmacies & Drug Stores, Online Pharmacies), and Regional Forecast, 2019-2026. Pune: Fortune Business Insights, 2020



Objectives

The Company's primary goal is to enter into an agreement with a licensee regarding OsteoDex. Given the market size of multiple myeloma and the potential shown by OsteoDex in preclinical studies, the Board of Directors considers it to be of the highest priority to collect complementary/confirmatory clinical data. The Company therefore intends to carry out a clinical "proof of concept"-study, which is estimated to last about two years from study start. Since the study is unblinded, the Company will be able to communicate interim results. It's the Board of Directors perception that complementary positive results will strengthen the possibilities for a favourable OsteoDex-CRPC licensing agreement and thus verify OsteoDex's great value as a cancer drug. Below is a presentation of DexTech's upcoming objectives:

- Ensure OsteoDex's continued clinical development through partnership during the financial year 2021/2022.
- Start a clinical proof of concept study with OsteoDex on multiple myeloma in 2022.
- Continue the preclinical development of the PSMA binding conjugate (PSMA-Dex).
- Develop GuaDex for new indications.

The offer in brief

Subscription period:

8-22 December 2021.

Subscription price:

SEK 13.00 per share.

Issue volume:

The offer comprises a maximum of 4,476,141 shares, corresponding to approximately SEK 58.2 million.

Record date and preferential rights:

Those who on the record date, the 3rd of December 2021, were registered as shareholders in DexTech own preferential right to subscribe for shares in the current rights issue. For each existing share, one (1) subscription right is received. Ten (10) subscription rights entitle the shareholder to subscribe for three (3) new shares. Last day of trading in the share, including the right to receive subscription rights, was the 1st of December 2021. First day of trading in the share, excluding the right to receive subscription rights, was the 2nd of December 2021.

Number of shares before the rights issue:

14,920,478 shares.

Valuation (pre-money):

Approximately SEK 194 million.

Subscription and guarantee commitments:

The Company has received subscription commitment and guarantee commitments corresponding to a total of approximately 80 percent of the issue volume.

Trading in subscription rights:

Subscription rights will be traded on Spotlight Stock Market during the period 8th of December 2021, until 17th of December 2021.

Trading with BTA:

Trading with BTA (Paid Subscribed Share) will take place on Spotlight Stock Market from 8th of December 2021 and will continue until the Swedish Companies Registration Office has registered the rights issue. This registration is expected to take place in mid-January 2022.

Dilution:

In the event of a fully subscribed rights issue, the number of shares will increase by 4,476,141, which corresponds to a maximum dilution of 23 percent of the votes and capital for existing shareholders who do not subscribe for shares in the rights issue.

CEO Anders R Holmberg has the floor

DexTech is currently in a very exciting development phase. Our pre-clinical results with OsteoDex have given us the opportunity to broaden the indication to now also include multiple myeloma, which is one haematological malignancy that develops in the bone marrow. The disease is incurable and existing treatments can only slow down the course of the disease, often with severe side effects.

OsteoDex mechanism of action, tumor cell killing effect, together with few and mild side effects, makes OsteoDex a very interesting candidate for treatment of multiple myeloma. The global market for Multiple myeloma is expected to grow to approximately USD 31 billion by 2026, which is more than twice the market size of castration resistant prostate cancer (CRPC), which until now has been the primary indication for OsteoDex.

Our goal is to enter into a licensing agreement regarding OsteoDex that reflects its true value and guarantees continued clinical development against market approval. To create the best conditions for our goal, and to further verify OsteoDex's great potential we intend to conduct a clinical "proof of concept"-study that will include about five hospital centres in Scandinavia. The study is going to include approximately 20 selected myeloma patients and is estimated to last about two years from the study start. Since the study is unblinded, we are however able to deliver

interim results during the course of the study. A formal study protocol is being prepared and more details regarding study preparations will be announced later.

With the positive pre-clinical OsteoDex results, it gives us strong motivation to obtain verifying clinical data. This is also the reason why we are now carrying out a rights issue of approximately SEK 58.2 million. Positive results from the study would verify the true value of OsteoDex and strengthen the possibilities for a favourable licensing agreement.

With the great market potential and OsteoDex's unique position, we see a great opportunity to increase the value for our shareholders, and above all to be able to improve the prognosis for many cancer patients in the future. To be able to carry out the study, and advance the possibilities for OsteoDex, we now invite you as an investor to follow DexTech's continued development. We therefore welcome you to invest in the future cancer treatment for large patient groups.



“With the positive pre-clinical OsteoDex results, it gives us strong motivation to obtain verifying clinical data.”

Anders R Holmberg - CEO, DexTech Medical AB

Terms for the offer

The Offer

At a board meeting on the 8th of November 2021, the Board decided, which was approved Extraordinary General Meeting on the 25th of November 2021, to through a rights issue of shares increase the Company's share capital by a maximum of SEK 201,426,3450 through a rights issue of a maximum of 4,476,141 shares each with a quota value of SEK 0.045 per share. The public is also given the right to subscribe for shares in the rights issue. The total issue amount amounts to a maximum of SEK 58,189,833.00.

The price per share amounts to SEK 13.00.

Dilution

Through the rights issue, the Company's share capital can increase by a maximum SEK 201,426,345 through a rights issue of a maximum of 4,476,141 shares, corresponding to approximately 30 percent of the votes and capital in the Company. The rights issue entails a dilution of 23 percent for the existing shareholders who do not choose to subscribe for shares in the rights issue. The dilution is based on the number of shares issued at the preparation of this document.

Preferential rights

The shareholders who on the record date the 3rd of December 2021 were shareholders in the Company has a preferential right to subscribe for shares in the rights issue in relation to previous holdings whereby one (1) existing share gives one (1) subscription right. Ten (10) subscription rights entitle the shareholder to subscribe for three (3) new shares.

Subscription price

The subscription price is SEK 13.00 per share. No brokerage fee will be charged.

Record date

Record date at Euroclear Sweden AB ("Euroclear") for the right to participate in the rights issue was on the 3rd of December 2021. Last day for trading in the Company's share including the right to participate in the rights issue was on the 1st of December 2021. First day for trading in the Company's share excluding the right to participate in the rights issue was on the 2nd of December 2021.

Subscription period

Subscription of shares will take place during the period from the 8th of December 2021 until and including the 22nd of December 2021. After the subscription period, all unexercised subscription rights will be void and lose their value. Unexercised subscription rights are removed from the respective shareholder's securities depository account, without specific notification from Euroclear. The Board of Directors of the Company reserves the right to extend the subscription period. A possible extension will be announced by the Company through press release no later than on the 22nd of December 2021.

Trading with subscription rights

Trading in subscription rights takes place on the Spotlight Stock Market during the period from the 8th of December 2021 until the 17th of December 2021. Shareholders shall contact their bank or other nominee with the necessary authority to carry out the purchase and sale of subscription rights directly. Subscription rights that are acquired during the above-mentioned trading period provide the same right to subscribe for new shares as shareholders with subscription rights based on their shareholdings in the Company on the record date. Subscription rights must be exercised no later than on the 22nd of December 2021 or sold no later than on the 17th of December 2021, in order to not become void or lose their value.

Pre-printed paying slips and subscription forms

Shareholders with preferential subscription rights directly registered in Euroclear

Shareholders or representatives of shareholders, who on the record date the 3rd of December 2021 were registered in the Euroclear system, receive a pre-printed paying slip (account statement), and a folder containing the terms and conditions for the rights issue with referral to the prospectus. The information can be found at Nordic Issuing's website (www.nordic-issuing.se), at Sedermera Fondkommission's website (www.sedermera.se) and at the Company's website (www.dextechmedical.com) for download. Shareholders who are included in the separate list of pledgees

and others in relation to the Euroclear system do not receive information and will be notified separately. An account notice, which declares the delivery of subscription rights on the shareholders' book-entry account, are not distributed.

Shareholders with nominee registered subscription rights

Shareholders whose holdings of shares in the Company are nominee registered with a bank or other trustee do not receive a pre-printed paying slip or subscription form but will receive a folder containing a summary of the rights issue and reference to the full prospectus. Subscription and payment should instead be in accordance with instructions from the respective bank or trustee. Please note that if the use of subscription rights takes place via a bank or a nominee, this should be done early in the subscription period, as the respective bank/nominee may set different deadlines for the last subscription date.

Subscription of shares with preferential right

Subscription with preferential subscription rights shall be made by simultaneous cash payment no later than on the 22nd of December 2021. Subscription by payment must be made either with the prepaid payment slip attached to the issuance statement or by payment instructions on subscription form with support of subscription rights in accordance with the following two options:

1. Pre-printed paying slip (account statement)

If all subscription rights allotted on the record date are exercised, only the pre-printed paying slip shall be used as documentation for subscription by way of cash payment. The subscription form "Subscription with unit rights" shall not be used in this case.

2. Subscription form – "Subscription with subscription rights"

If a different number of subscription rights than what is stated on the pre-printed paying slip shall be exercised, for example, if subscription rights are acquired or sold, the subscription form "Subscription with subscription rights" is to be used for subscription by means of cash payment. The shareholders must state on the subscription form the number of subscription rights being exercised, the number of shares they are subscribing for, and the amount that is being paid. If the payment is made in any way other than with the attached payment slip, the securities account must be indicated as a reference. Incomplete or incorrectly filled out subscription forms may be disregarded. The subscription form "Subscription with subscription rights" can be downloaded at Nordic Issuing's web page (www.nordic-issuing.se). A completed subscription form must, in connection with cash payment, be sent to, and received by Nordic Issuing no later than on the 22nd of December 2021 on the contact details stated below. The subscription is binding.

E-mail: info@nordic-issuing.se

Subscription of shares without preferential right

An application for subscription of shares without preferential rights is to be made on the form "Subscription without shares rights" available for downloading from Nordic Issuing's website (www.nordic-issuing.se) and the Company's website (www.dextechmedical.com). Subscription can also be done with BankID/NemID at www.nordic-issuing.se.

Nominee-registered shareholders, requesting subscription of shares without preferential right, must coordinate such a subscription with the account-holding bank or broker in accordance with instructions from the respective account-holding bank or broker, or if shares are registered at several different nominee-registered accounts, from each of these account-holding banks or brokers.

Note that shareholders or other investors who have an account with specific rules for securities transactions, such as an investment savings account (Swedish: *Investeringssparkonto*) or endowment account (Swedish: *Kapitalförsäkring*), must check with the account holding bank or broker, whether, and if so, the subscription of shares in the rights issue is possible. The subscription shall in that case be made in accordance with instructions received from the account-holding bank or broker.

Incomplete or incorrectly filled out subscription forms may be disregarded. It is only allowed to submit one (1) subscription form "Subscription without subscription rights." If more than one such subscription form is submitted, only the one last received will be considered, and other such subscription forms will be disregarded.

The subscription form must be Nordic Issuing at hand no later than on the 22nd of December 2021. The subscription is binding

Subscription above EUR 15,000

If the subscription amounts to, or exceeds, EUR 15,000.00, a money laundering form shall be completed and sent to Nordic Issuing in accordance with the Swedish Act (2017:630) on measures against money laundering and terrorist financing. Please observe that Nordic Issuing cannot distribute any securities, even if payment have been received, before the money laundering form has been received by Nordic Issuing.

Allocation of shares subscribed for without preferential right

If not all shares in the rights issue are subscribed for with preferential right, the Board of Directors shall decide on allocation of shares within the limits of the maximum amount of the rights issue to shareholders or other investors that have subscribed for shares without preferential right.

Firstly, allocation of shares which are subscribed for without preferential right shall be made to shareholders or other investors who have also subscribed for shares by exercising subscription rights, regardless if the subscriber was a registered shareholder on the record date or not. In case that allocation of shares cannot fully be provided in accordance to subscriptions without subscription rights, allocation shall be made in relation (pro rata) to the quantity of subscription rights exercised for subscription of shares in the rights issue, and to the extent this is not possible, by drawing of lots.

Secondly, allocation of shares which are subscribed for without preferential right shall be made to other investors than the above mentioned, who have subscribed for shares without subscription rights. In case that allocation of shares cannot fully be provided in accordance to subscriptions without subscription rights, allocation shall be made in relation (pro rata) to the amount of subscribed for shares without subscription rights in the rights issue, and to the extent this is not possible, by drawing of lots.

Thirdly, the allocation of shares shall be made to the guarantors in proportion to the size of the guarantee commitments made, and to the extent this is not possible, by drawing of lots.

Notification of allotment of shares without preferential rights

Notification of allotment of shares without preferential rights will be made via a settlement note containing payment instructions for allotted shares. Settlement notes are expected to be sent out as soon as possible after the subscription period, and payment must be made in accordance with the payment instructions on the settlement note. Payment is due within four Swedish business days from the date the settlement note was distributed. Note that payment for any allotted shares will not be drawn from the specified book-entry account. If payment is not received in due time, the subscribed for shares may be assigned to another party. Should the price by such an assignment be lower than the subscription price in the rights issue, the subscriber who initially was allocated these shares may vouch for all or a part of the difference. Shareholders or other investors that are not allotted any shares will not receive any notification.

Shareholders residing outside of Sweden

Shareholders who reside outside of Sweden (with the exception of shareholders residing in USA, Australia, Japan, Canada, New Zealand, South Africa, Hong Kong, Switzerland, Singapore and other countries in which participation in the rights issue requires supplementary prospectus, further registration or other measurements than those which are required by Swedish legislation) who have preferential right in the rights issue can contact Nordic Issuing for further information about subscription and payment.

Due to restrictions in the legislation regarding securities in USA, Australia, Japan, Canada, New Zealand, South Africa, Hong Kong, Switzerland, Singapore and other countries in which participation requires supplementary prospectus, further registration or other measurements than those which are required by Swedish legislation, subscription rights through Euroclear will not be issued to shareholders with registered addresses in any of these countries. Accordingly, no offer is made to subscribe for shares in the Company to shareholders residing in these countries.

Paid and subscribed for shares (BTA)

Subscription via payment is registered with Euroclear as soon as feasible, which normally means a few banking days after payment is made. Thereafter, the subscriber will receive a securities depository account notification confirming that the registration of Paid Subscribed Shares has occurred in the subscriber's securities depository account. Subscribed for shares are entered as BTAs in the securities account until the preferential rights issue has been registered with the Swedish Companies Registration Office.

Shareholders who have their holdings in a custodian account at a bank or brokerage firm will receive information from their respective custodian.

Trading in BTA

Trading in BTA's will take place on Spotlight Stock Market from the 8th of December 2021 until the rights issue is registered at the Swedish Companies Registration Office. Subscribed for shares are entered as BTA in the securities depository account until the preferential rights issue has been registered with the Companies Registration Office, which is expected to take place on the 19th of January 2022.

Delivery of shares

As soon as the rights issue has been registered with the Swedish Companies Registration Office, BTA's are rebooked to shares without special notification from Euroclear. Please note that the issue may be partially registered at the Swedish Companies Registration Office.

Publication of the outcome of the rights issue

Publication of the outcome in the rights issue is planned for the 28th of December 2021, or as soon as possible after the subscription period ends. The Company will publish the result of the rights issue through a press release.

Trading in the share

The shares of the Company are listed on Spotlight Stock Market. The shares are traded under the short name "DEX" and have the ISIN-code SE0005881489. The new shares are also being available for trade in conjunction with the conversion of BTA to shares.

Applicable legislation

The shares are issued under the Swedish Companies Act (2005: 551) and are regulated by Swedish law.

Right to dividend

The new shares carry the right to a dividend for the first time on the first the record date for dividends that fall after the new shares registered with the Swedish Companies Registration Office. The new shares have the same right to dividend as the existing shares.

Other

The Board is authorized to decide on minor corrections that are required for registration with the Swedish Companies Registration Office and Euroclear Sweden AB. With minor corrections refers to corrections of a minor extent, such as, for example, spelling errors or other typographical errors, which may prevent the decision from being registered with the Swedish Companies Registration Office or Euroclear Sweden AB.

The Board does not have the right to withdraw / withdraw the offer.

In the event that an excessive amount paid in by a subscriber for shares comes excess amount is refunded. Amounts under SEK 100 will not be refunded.

Issuing agent and financial advisor

Nordic Issuing acts as an issuing agent in the rights issue. Sedermera Fondkommission is the financial advisor and Markets and Corporate Law is the legal advisor.