

## **Dicot conducts a rights issue partially secured of approximately SEK 25.3 million**

**Press release: Uppsala, September 8, 2021.** The board of directors of Dicot AB ("Dicot" or the "Company") has today on September 8, 2021, resolved to issue units, conditional on the Extraordinary General Meeting's subsequent approval on October 6, 2021, with preferential rights for the Company's existing shareholders (the "Rights Issue"). The notice of the Extraordinary General Meeting will be published in a separate press release.

### **Summary**

- Upon full subscription of the Rights Issue, Dicot will receive approximately SEK 25.3 million, before issue costs. Upon full exercise of the warrants included in the issued units for subscription of shares, the Company will be provided additionally approximately SEK 58.3 million.
- The Rights Issue is guaranteed up to approximately 6.2 percent by subscription undertakings and approximately 73.8 percent by underwriting commitments. In total, the Rights Issue is guaranteed to 80 percent.
- All existing shareholders receive one (1) unit right for each one (1) share held on the record date on the October 7, 2021. Five (5) unit rights entitle to subscription of one (1) unit. One (1) unit contains three (3) new shares and three (3) warrants. The subscription price is SEK 1.95 per unit, corresponding to 0.65 SEK per share (the warrants are issued free of charge).
- The subscription period for the Rights Issue will be from October 11, 2021 to October 26, 2021.
- The subscription price for subscription of shares using warrants will correspond to 70 percent of the average volume-weighted price of the Company's share according to Spotlight Stock market's official list during the period from May 16, 2022 up to and including May 27, 2022. However, the subscription price shall not be higher than SEK 1.50 or lower than SEK 0.125 (corresponding quota value of the Company's share) .
- The subscription period for subscription of shares using warrants will be from June 1, 2022 up to and including June 15, 2022.
- The Company is concluding the upcoming financing for the purpose of finalizing the pre-clinical program and commence the preparations for clinical stage 1.

### **Background and rationale in summary**

Dicot is developing the drug candidate LIB-01 (formerly Libiguin), which will be a potency agent to better treat erectile dysfunction and premature ejaculation. The ambition is to create a drug with significantly longer effect and far fewer side effects, compared to those on the market. Today, at least 500 million men suffer from these sexual dysfunctions and the market is valued at SEK 50 billion.

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LIB-01 has its origins in the research conducted at Uppsala University by Professor Jarl Wikberg to treat sexual disability. Previous animal trials and the traditional folk medicine use from Madagascar demonstrate the potential for LIB-01 as treatment of erection problems and premature ejaculation. Research and development are conducted under own auspices up to phase 2 studies. Thereafter, Dicot's intention is to form strategic alliances, or alternatively carry out a trade sale, with larger, established pharmaceutical companies to be able to introduce LIB-01 on the world market.

The Company is concluding the issue of units the purpose of finalizing the Dicot's pre-clinical program and commence the preparations for clinical stage 1.

## **The terms of the Rights Issue**

The Board of Directors in Dicot has resolved, conditional on the Extraordinary General Meeting's subsequent approval, to issue units, consisting of shares and warrants, with preferential rights for the Company's existing shareholders in accordance with the terms listed below.

- All existing shareholders receive one (1) unit right for each one (1) share held on the record date on the October 7, 2021. Five (5) unit rights entitle to subscription of one (1) unit. One (1) unit contains three (3) new shares and three (3) warrants. The subscription price is SEK 1.95 per unit, corresponding to SEK 0.65 per share (the warrants are issued free of charge).
  - The Rights Issue consists of a maximum of 38,899,047 new shares and 38,899,047 new warrants. Upon full subscription in the Rights Issue, the Company will receive approximately SEK 25.3 million, before issue costs. The Company's share capital may increase by SEK 4,862,381, from SEK 8,103,968 to SEK 12,966,349.
  - The subscription period for the Rights Issue will be from October 11, 2021 to October 26, 2021.
  - Upon full subscription of the Rights Issue, existing shareholders who choose not to participate in the Rights Issue, will experience a dilution of approximately 37.5 percent. Full exercise of attached warrants may entail a dilution of approximately 27.3 percent. Upon full subscription of the Rights Issue and full exercise of the warrants therein, existing shareholders who choose not to participate in the Rights Issue, will experience a dilution of approximately 54.5 percent.
  - The subscription period for subscription of shares using warrants will be from June 1, 2022 up to and including June 15, 2022.
  - The subscription price for subscription of shares using warrants will correspond to 70 percent of the average volume-weighted price of the Company's share according to Spotlight Stock market's official list during the period from May 16, 2022 up to and including May 27, 2022. However, the subscription price shall not be higher than SEK 1.50 or lower than SEK 0.125 (corresponding quota value of the Company's share) . This means that the Company, upon full exercise of the warrants for subscription of shares, will receive approximately SEK 58.3 million, before issue, depending on the exercise price. The Company's share capital may therefore increase further by SEK 4,862,381, to a maximum of SEK 17,828,730.
  - The warrants are planned to be admitted to trading on the Spotlight Stock Market following the final registration with the Swedish Companies Registration Office.
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- The Rights Issue requires an amendment of the Company's Articles of Association. A proposal to resolve such amendment will be included in the notice to the Extraordinary General Meeting.

## **Subscription undertakings and guarantees**

The Rights Issue is partially secured through subscription undertakings of approximately 6.2 percent and through underwriting commitments of approximately 73.8 percent. In total, 80 percent of the Rights Issue is secured by subscription undertakings and underwriting commitments. Subscription undertakings have been provided by some of Dicot's current shareholders. The underwriting commitments have been provided by some of Dicot's current shareholders as well as some external investors. **For underwriting commitments, an underwriting compensation of eight (8) percent of the underwritten amount is paid in cash. No compensation is paid to shareholders who have entered into subscription undertakings.**

## **Timetable**

October 6, 2021	Last day of trading of shares in Dicot including the right to receive unit rights.
October 6, 2021	First day of trading of shares in Dicot excluding the right to receive unit rights. Extraordinary General Meeting
October 7, 2021	The record date for receiving unit rights. Shareholders who are registered in the share register kept by Euroclear Sweden AB as of this day will receive unit rights for participation in the Rights Issue.
October 8, 2021	The EU growth prospectus with regards to the Rights Issue is expected to be published.
October 11 – October 21, 2021	Trading with unit rights on Spotlight Stock Market.
October 11 – October 26, 2021	The Subscription Period for the Rights Issue.
October 29, 2021	The announcement of the outcome of the offering is expected to be published.

## **Advisors**

Stockholm Corporate Finance is acting as financial adviser to the Company and Hagberg & Aneborn Fondkommission is acting as issuing agent in the Rights Issue. Advokatfirman Lindahl KB is acting as legal adviser to the Company.

## **For further information, please contact:**

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## About Dicot AB

Dicot is developing the drug candidate LIB-01 (formerly Libiguin), which will be a potency agent to better treat erectile dysfunction and premature ejaculation. The ambition is to create a drug with significantly longer effect and far fewer side effects, compared to those on the market. Today, at least 500 million men suffer from these sexual dysfunctions and the market is valued at SEK 50 billion. Research and development are conducted under own auspices up to phase 2 studies. Thereafter, Dicot's intention is to form strategic alliances, or alternatively carry out a trade sale, with larger, established pharmaceutical companies to be able to introduce LIB-01 on the world market.

Dicot is listed on Spotlight Stock Market and has approximately 1,800 shareholders. For more information, please visit [www.dicot.se](http://www.dicot.se)

*This information is such that Dicot AB is required to make public in accordance with the EU's Market Abuse Regulation (MAR). The information was made public by the Company's contact person above on September 8, 2021.*

## IMPORTANT INFORMATION

This press release is not an offer to subscribe for shares or units in Dicot and investors should not subscribe or acquire any securities. Invitation to concerned persons to subscribe for shares in Dicot will only be made through the EU growth prospectus.

This press release shall not, directly or indirectly, be released, published or distributed in or to the United States, Australia Japan, Canada, New Zealand, Hong Kong, South Africa or other country where such action as a whole or in part is subject to legal restrictions. Neither unit rights, units subscribed for ("BTU") or newly issued units have been recommended or approved by any US federal or state securities authority or regulatory authority. No subscription rights, BTA or newly issued shares have been registered or will be registered under the United States Securities Act of 1933, as applicable, or in accordance with applicable laws in the United States, Australia, Hong Kong, Japan, Canada, New Zealand, Switzerland, Singapore, South Africa or in any other country where the Rights Issue or distribution of the press release is in violation of applicable laws or regulations or presupposes that a further prospectus is established, registered or that any other measure is undertaken beyond that required by Swedish law. The press release, as well as the prospectus, the application form and other documents attributable to the Rights Issue, may consequently not be distributed to any such jurisdiction.

There is no intention to register any portion of the offer in the United States and the securities issued in the Rights Issue will not be offered to the public in the United States.

The Company has not authorized any offer to the public with regards to the shares or rights that are referred to in this communication in any member state of the European Economic Area ("EEA") besides Sweden. This communication is only addressed to and is only directed at qualified investors in other members states within the EEA.

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