

Press Release

16 March 2024 17:00:00 CET

2CUREX AB (PUBL) PROVIDES AN UPDATE ON ITS FINANCIAL POSITION AND CURRENT OPERATIONS

INSIDE INFORMATION: The Board of Directors of 2cureX AB (publ) (the "Company" or "2cureX") has assessed that 2cureX has severe financial challenges and concluded that the Company does not have sufficient working capital to carry out its planned operations beyond the second quarter of 2024. The Board of Directors of the Company has, in addition to the extensive cost-cutting measures (including significant workforce reductions) that was announced on 22 February 2024, explored possible financing solutions, including a capital raise on Nasdaq First North without success. Due to the above factors, the Company is currently not conducting any commercial business and is in the risk of insolvency without necessary financing. The Board of Directors believes that 2cureX will have increased opportunities to obtain necessary financing as an unlisted company and is therefore investigating the possibility to de-list the shares on Nasdaq First North Growth Market in Stockholm.

Background

2cureX has been listed since 2017 and has over the last two years experienced a significant decline in the Company's share price which has significantly effected the possibilities to raise capital. The negative trend has primarily been caused by a failed business strategy where 2cureX focused on commercializing its 3D microtumor test, IndiTreat® through multiple distributors throughout Europe. The business model failed to deliver the forecasted revenue, and it was decided to change the business model to decentralized testing at individual hospitals (for details see [Interim Report Q4 2023](#)).

Current working capital need and current operational activities

The Company announced in its year-end report 2023 (Q4) on February 22, 2024, that several extensive cost-cutting measures have been taken, including workforce reductions. As of March 1, 2024, the Company holds a cash position of SEK 7.1 million. In light of the planned operations, the Board of Directors of 2cureX assess that the Company does not have sufficient working capital for its planned operations beyond the second quarter of 2024.

The Board of Directors of the Company has, in addition to the extensive cost-cutting measures as described above, explored possible financing solutions, including a capital raise, without success. The current cash position allows the Company to fulfill its contractual obligations, however due to the above factors, the Company is currently not conducting any commercial business, and therefore not able to generate revenue. Consequently, the Company is in the risk of insolvency without necessary financing.

Corporate governance

The business model shift and an inability to secure financing has also caused significant changes to 2cureX's leadership structure. As announced at the end of December 2023 and beginning of January, the Company's former CEO, along with four members of the Board of Directors resigned. The Company's Executive Management currently consists of the combined Acting CEO and CFO Kenneth G. Johansen, CTO Jacob O. Thastrup and Quality & Regulatory Director Manuel Fernandez. The Acting CEO and CFO, Kenneth G. Johansen is currently working part-time, approximately 30 percent. The Board of Directors consists of the chairman of the Board Tonni Bülow-Nielsen, vice-chairman Ole Thastrup and board member Grith Hagel.

Intention to de-list from Nasdaq First North Growth Market

As a result of the significant decline in the Company's share price the last two years and the current operational status of the Company, the liquidity and trading in the share on Nasdaq First North Growth Market in Stockholm has also significantly decreased. Qualified shareholders^[1] in the Company's share is significantly below the initial listing requirement of 300 qualified shareholders. Furthermore, there is a clear risk that the Company is incapable of meeting several of the Nasdaq First North Growth Market's ongoing listing requirements. The Board of Directors believes that 2cureX will have increased opportunities to receive necessary financing as an unlisted company and is therefore investigating the possibility to de-list the shares on Nasdaq First North Growth Market in Stockholm. A potential de-listing is subject to review and processing by Nasdaq Stockholm AB. The Company will make an announcement as soon as such a request has been processed and when further detailed information is available.

[1] Shareholders holding shares with a value of at least EUR 500

For more information about 2cureX:

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This information is information that 2cureX is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2024-03-16 17:00 CET.

Attachments

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