EGETIS THERAPEUTICS

Year-end report January-December 2020

Egetis Therapeutics presents the fourth quarter and the year-end report 2020

October – December

- Quarterly net sales MSEK 5.3 (17.1)
- Quarterly result MSEK -75.4 (-23.0)
- Cash and cash equivalents MSEK 287.9 (255.1)
- Cash flow for the period MSEK 129.8 (-29.1)
- Loss per share before/after dilution SEK -0.7 (-0.4)

Significant events during the period October-December

- Egetis Therapeutics acquired all outstanding shares in Rare Thyroid Therapeutics International AB (RTT) on November 3, 2020. The purchase price for the shares in RTT consisted of a cash component of 60 MSEK, funded from own cash-in-hand, and a share purchase price consisting of 63,773,345 new shares in Egetis Therapeutics. These new shares were issued at a price of 5.25 SEK per share, amounting to a total of 334 810 061,25 SEK. Further details of the acquisition are disclosed in note 7.
- Egetis Therapeutics completed an oversubscribed rights issue with an overallotment option of 47,761,894 shares in total, raising gross proceeds of SEK 251 MSEK.
- Peder Walberg was elected as a board member at the EGM on October 28, 2020.
- The Company name was changed to Egetis Therapeutics AB at the EGM on December 11, 2020.
- US Food and Drug Administration (FDA) granted the company's application for Rare Pediatric Disease designation (RPD) for Emcitate in the treatment of MCT8 deficiency.
- The first patient was dosed in the pivotal Phase IIb/III early intervention study in young patients with the drug candidate Emcitate.
- The design of the pivotal Phase IIb/III study for Aladote was completed following interactions with the FDA, the European Medicines Agency (EMA) and the Medicines & Healthcare products Regulatory Agency (MHRA) in the UK.
- On December 15, the company announced that PledOx did not meet the efficacy endpoint in the prematurely closed Phase III POLAR program.

January – December

- Net sales for the period MSEK 40.7 (82.6)
- Loss for the period MSEK -179.1 (-61.4)
- Cash and cash equivalents MSEK 287.9 (255.1)
- Cash flow for the period MSEK 34.2 (24.1)
- Loss per share before/after dilution SEK -2.7 (-1.2)

Significant events during the period January- December

- Egetis Therapeutics acquired all outstanding shares in RTT, see note 7.
- Rights issue of 47,761,894 shares, raising gross proceeds of 251 MSEK.
- Name change to Egetis Therapeutics AB (publ.).

Emcitate®

- US FDA granted the company's application for Rare Pediatric Disease designation (RPD) for Emcitate in the treatment of MCT8 deficiency.
- The first patient was dosed in the pivotal Phase IIb/III early intervention study in young patients with the drug candidate Emcitate.

Aladote®

- The design of the pivotal Phase IIb/III study for Aladote, was completed following interactions with the FDA, EMA and MHRA. If successful, it is considered to be sufficient for a marketing authorization application in both US and EU.

PledOx®

- In Q2 the company decided to prematurely close the POLAR Phase III program. The decision was taken after a recommendation from the independent Drug Safety Monitoring Board (DSMB) and followed the clinical holds issued by FDA and French Regulatory Authority (ANSM) earlier in the year.
- On December 15, the company announced that PledOx did not meet the efficacy endpoint in the prematurely closed Phase III POLAR program.

Significant events after the reporting period

- The company's Chief Medical Officer (CMO) has decided to leave the company to pursue other opportunities.
- The company announced that Aladote will be presented as a novel emerging treatment of paracetamol overdose at two upcoming scientific conferences in March and April.
- The company has appointed Kristina Sjöblom Nygren, MD, as CMO, effective May 1, and will be member of the company's leadership team. The recruitment expands the orphan drug experience and expertise also to the clinical and medical function, further strengthening the company's alignment and strategic focus on this segment.

Financial overview

Key figures

	2020 Oct-Dec	2019 Oct-Dec	2020 Jan-Dec	2019 Jan-Dec
Net revenues, KSEK	5,289	17,052	40,662	82,562
Result after tax, KSEK	-75,410	-23,006	-179,120	-61,422
Cash flow, KSEK	129,798	-29,083	34,223	24,079
Cash, KSEK	287,850	255,101	287,850	255,101
Equity ratio %	70%	91%	70%	91%
Earnings per share, SEK	-0.7	-0.4	-2.7	-1.2
Earnings per share after dilution, SEK	-0.7	-0.4	-2.7	-1.2
Average number of employees	9	9	9	9

About Egetis Therapeutics

Egetis Therapeutics is an innovative, unique, and integrated pharmaceutical drug development company, focusing on projects in late-stage development for treatment of serious rare/niche diseases with significant unmet medical needs in the orphan drug segment. The drug candidate Emcitate is developed as the first potential treatment for patients with MCT8 deficiency, a rare disease with high unmet medical need and no available treatment. A Phase IIb clinical trial has been completed with significant and clinically relevant effects. A pivotal Phase IIb/III early intervention study has been initiated in Dec 2020 with the first patient dosed and interim results are expected in 2022. Emcitate holds Orphan Drug Designation in the US and EU and was granted Rare Pediatric Disease Designation by the US FDA in November 2020. The drug candidate Aladote is a first in class drug candidate developed to reduce the risk of acute liver injury associated with paracetamol poisoning. A proof of principle study has been successfully completed and the design of the upcoming pivotal Phase IIb/III study for Aladote has been finalized after completed interactions with FDA, EMA and MHRA. Aladote has been granted Orphan Drug Designation in the US. Results from the PledOx POLAR program in Dec 2020 shows that PledOx did not meet the efficacy endpoint. Based on further evaluation of the results from the POLAR studies, the strategic next steps for PledOx will be determined together with our partner Solasia.

Egetis Therapeutics (STO: EGTX) is listed on the Nasdaq Stockholm main market. For more information, see http:// www.egetis.com/

Comments from the CEO

As we now put 2020 behind us, we can look back on an eventful year, where Covid-19 pandemic made a deep and lasting impact on all of us. This was also a year when PledPharma through the acquisition of Rare Thyroid Therapeutics (RTT) created Egetis Therapeutics – our new focused orphan drug development company with two important assets - Emcitate and Aladote - in late-stage development. The acquisition was completed in early November, and the name change became official in December.

The acquisition of RTT, with its focus on rare thyroid hormone signalling disorders represents an important step in building a company with a strategic focus on the attractive orphan drug segment. The teams from RTT and PledPharma with complementing experience in orphan drugs, late-stage development and commercialisation set a solid foundation for Egetis success as a sustainable orphan drug company dedicated to development and commercialization of therapies for rare diseases. Our goal is to offer medicines to patients with serious and rare diseases lacking adequate medical treatments and thereby create value for patients, shareholders and society.

Both Emcitate and Aladote have a clear path to market approval in the EU and the US in the coming three years, approximately. As part of the new strategic direction, Egetis intend to set up a niche marketing organization to launch our exciting assets, creating a foothold in the attractive orphan drug market. As a first step in this important transition, we appointed a Vice President for Commercial Operations in November.

First patient dosed in the Phase IIb/III study with Emcitate

Emcitate is being developed for the treatment of MCT8 deficiency, which is a rare congenital disorder of thyroid hormone trafficking with detrimental natural history and no currently available therapy. Approximately 1 in 70,000 males are affected. A successful Phase IIb trial was completed in 2018. The first patient in the pivotal Phase IIb/III early intervention trial was dosed in December. The study is an international, open label, multi-center study in children younger than 30 months with MCT8 deficiency, conducted in both Europe and North America. Interim results are targeted to be available in 2022 and expected to pave the way for regulatory approvals and commercial launch.

Emcitate has been granted Orphan Drug Designation (ODD) in both EU and the US. In addition, the US Food and Drug Administration (FDA) granted it Rare Pediatric Disease (RPD) designation in November. Upon approval of a new drug application (NDA), sponsors holding a RPD and meeting the criteria specified can apply to receive a US Rare Pediatric Disease Priority Review Voucher (PRV). A PRV allows accelerated FDA review of a new drug application for any drug candidate, in any indication, thus shortening time to market for a new entity in the US. The voucher may also be sold or transferred to another sponsor.

Study design of Aladote pivotal study completed

In October, we announced that the study design for the pivotal Phase IIb/III study with Aladote has been finalized following valuable interactions with the US FDA, the EMA and the MHRA during Q3 2020. Preparations for the planned Phase IIb/III study are ongoing in US, UK and EU together with the CRO selected to conduct the study. Due to the ongoing Covid-19 pandemic, it is very challenging to start a clinical study in an emergency/intensive care setting. Therefore, pending how the situation evolves, we expect study start will likely take place in H2 2021. We remain committed to the continued development of Aladote, which has the potential to be the first approved drug to benefit patients with an increased risk of liver injury, who are not adequately treated with NAC after a paracetamol overdose. Aladote has been granted ODD in the US, and an application for the EU is planned to be submitted to the EMA during Q1 2021.

PledOx® POLAR program

The Phase III POLAR program for the drug candidate PledOx was prematurely closed in Q2 2020. In December, we announced together with our Japanese partner Solasia that PledOx did not meet the efficacy endpoint in the POLAR program. Based on continued evaluation of the results, the strategic next steps for PledOx will be determined together with Solasia.

Cash position

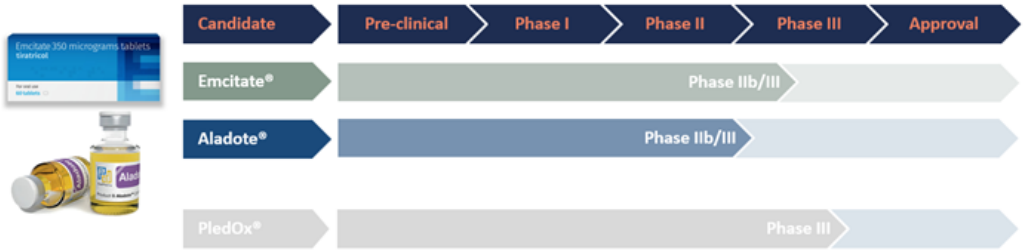
The successfully completed oversubscribed rights issue in November generated gross proceeds of SEK 251 MSEK. and strengthened the institutional investor base through allocation of the overallotment option to Fourth Swedish National Pension Fund ("AP4"), NYIP (Nyenburgh Holding BV) and Nordic Cross.
To continue the development of our clinical portfolio, we reported a cash position of approximately 288 million SEK on December 31, 2020 which is planned to finance the development of Emcitate and Aladote towards to market approval.

Looking ahead

Our focus on our clinical development programs and the opportunity to provide treatment for patients suffering from rare and serious diseases is firm as we shape the future of Egetis, our exciting company focusing on the orphan drug and rare disease segment. We continue to carefully monitor the impact of the Covid-19 pandemic and take every precaution to ensure that staff, collaborators, and study participants are safe and stay well, while progressing our clinical studies with high data quality.
After a smooth transition into the new company, Egetis Therapeutics, we are now well positioned to deliver on our projects, Emcitate and Aladote and their respective pivotal studies. We recently announced that Kristina Sjöblom Nygren, MD, has been appointed Chief Medical Officer (CMO). The recruitment expands the orphan drug experience and expertise also to the clinical and medical function, further strengthening the company's alignment and strategic focus on this segment. I look forward to relaying news to you around the clinical studies and the future development of Egetis Therapeutics.

Nicklas Westerholm, CEO
Egetis Therapeutics AB (publ.) Stockholm

R&D Pipeline Projects



EGETIS THERAPEUTICS

Project updates

Emcitate

Events during the quarter

US FDA granted the company's application for Rare Pediatric Disease Designation (RPD) for Emcitate in the treatment of MCT8 deficiency. The first patient has been dosed with the drug candidate Emcitate in the pivotal Phase IIb/III early intervention study in young patients

Significant events after the reporting period

There are no events to report.

About Emcitate

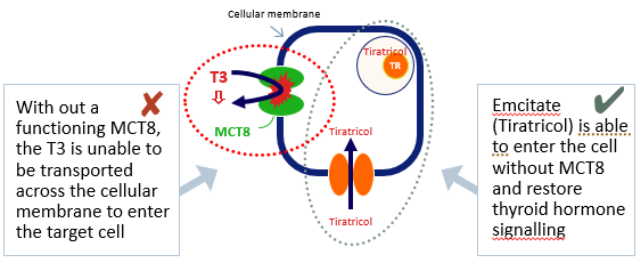
Emcitate is Egetis Therapeutics lead candidate drug in clinical development. It addresses MCT8 deficiency, which is a rare genetic disease with high unmet medical need and no available treatment, affecting 1:70,000 males.

Thyroid hormone is crucial for the development and metabolic state of virtually all tissues. Thyroid hormone transport across the plasma membrane is required for the hormone's metabolism and intracellular action and is facilitated by thyroid hormone transporters, including monocarboxylate transporter 8 (MCT8). Mutations in the gene for MCT8, located at the X-chromosome, cause MCT8 deficiency, also called Allan-Herndon-Dudley syndrome (AHDS) in affected males. The resulting dysfunction of MCT8 leads to impaired transport of thyroid hormone into certain cells and across the blood-brain-barrier and disruption of normal thyroid hormone regulation. This leads to a complex pattern of symptoms with neurological developmental delay and intellectual disability, accompanied by severely elevated circulating thyroid hormone concentrations which are toxic for tissues including the heart, muscle, liver and kidney and results in symptoms such as failure to thrive, cardiovascular stress, insomnia and muscle wasting.

Most patients will never develop the ability to walk or even sit independently. At present there is no approved therapy available for the treatment of MCT8 deficiency.

Emcitate was granted Orphan Drug Designation in the EU in 2017 and the US in 2019. Emcitate received US Rare Paediatric Disease Designation (RPD) in November 2020. Upon approval of the NDA, sponsors holding a RPD and meeting the criteria specified can apply to receive a US Rare Pediatric Disease Priority Review Voucher (PRV). A PRV provides accelerated FDA review of a subsequent new drug application for any drug candidate, in any indication, shortening time to market in the US. The voucher may also be sold or transferred to another sponsor.

A Phase IIb clinical trial in MCT8 deficiency has been completed which showed significant and clinically relevant treatment effects on key aspects of the disease. A pivotal Phase IIb/III early intervention study was initiated in Q4 2020 with the first patient dosed. Patient recruitment is expected to be completed in Q4 2021. Results from an interim analysis following 12 months treatment are planned for H2, 2022 and is expected to pave the way for regulatory approvals in both EU and the US in 2023/24.



Aladote

Events during the quarter

The design of the pivotal Phase IIb/III study for Aladote, was completed following interactions with the FDA, EMA and MHRA. Start-up activities for the planned Phase IIb/III study targeting patients with increased risk of liver injury, arriving late to hospital after a paracetamol overdose, have been initiated in US, UK and EU together with the CRO selected to conduct the study.

Significant events after the reporting period

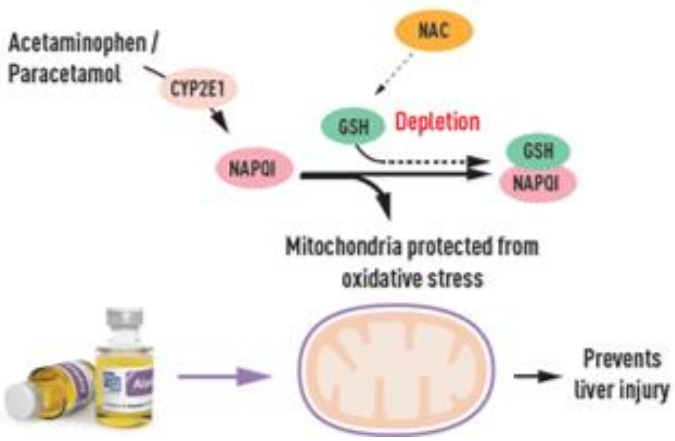
The company annoucced that Aladote will be presented as a novel emerging treatment of paracetamol overdose at two upcoming scientific conferences, at the annual meeting of the Society of Toxicology (SOT) on March 16 under the heading Novel Emerging Treatments for Acetaminophen Toxicity; and at the annual scientific meeting of the American College of Medical Toxicology (ACMT) on April 14, under the heading Antidote Updates.

About Aladote

Aladote is a “first-in-class” drug candidate with the potential to reduce the risk of acute liver injury associated with paracetamol/acetaminophen poisoning. Aladote has shown good effect in relevant preclinical models, even in the time-window when N-acetylcysteine (NAC) treatment no longer is effective. A proof of principle study in patients with paracetamol poisoning has been successfully completed. The study results established the safety and tolerability of the combination of Aladote and NAC. Further, the results indicate that Aladote may reduce liver injury in this patient population. Aladote has been granted Orphan Drug Designation in the US and is expected to be eligible for an ODD in the EU, for which an application is being developed.

Paracetamol/acetaminophen is the most used drug in the world for the treatment of fever and pain, but also one of the most overdosed drugs – intentionally or unintentionally. Paracetamol overdose is also one of the most common methods in suicide attempts. When excessive amounts of paracetamol are metabolized in the liver, a harmful metabolite NAPQI is formed, which can cause acute liver injury. The current standard of care for paracetamol poisoning (NAC) is effective if the patient seeks medical care within 8 hours of ingestion. However, NAC is substantially less effective if started more than 8 hours after overdose.

The Phase IIb/III study is targeting patients with increased risk of liver injury, who arrive late at hospital, more than 8 hours after a paracetamol overdose, for which current standard of care, NAC, is substantially less effective. The total planned number of patients are 225, who will be enrolled in the US, UK and in at least one EU country. The study consists of two parts with an interim analysis which includes a futility analysis and dose selection where the most effective dose will be continued. Application for market approval for sales in the US, EU and UK is planned after successful completion of the study.



PledOx

Events during the quarter
On December 15, the company announced that PledOx did not meet the efficacy endpoint in the prematurely closed Phase III POLAR program. Based on continued evaluation of the results, the strategic next steps for PledOx will be determined together with Solasia.

Significant events after the reporting period
There are no events to report.

About PledOx
PledOx is a "first in class" drug candidate aimed to provide patients that are treated adjuvantly or for metastatic colorectal cancer prevention against the nerve damage that can occur in conjunction with chemotherapy treatment. The global Phase III program for PledOx consisted of two double blind randomized placebo-controlled trials, POLAR-M and POLAR-A. POLAR-M was designed to include 420 patients undergoing chemotherapy treatment for metastatic colorectal cancer and was conducted in Asia, Europe and the US. The study aimed to compare PledOx at doses of 2 µmol/kg and 5 µmol/kg with placebo. POLAR-A was designed to include 280 patients undergoing adjuvant chemotherapy treatment for colorectal cancer and was conducted in Asia and Europe. The study aimed to compare PledOx at a dose of 5 µmol/kg with placebo. In Q1 2020 US Food and Drug and Administration (FDA) and French regulatory authority (ANSM) issued a clinical hold in the US and France, respectively, of the Phase III POLAR studies. The treatment of patients in the Phase III POLAR program was prematurely stopped in Q2 and the cut-off for data collection took place during Q3, 2020. The program was completed in December 2020, when the company announced that the efficacy endpoint was not met.

Financial Information

Year-end report, January – December 2020

Revenue, and results

Revenues

Revenues amounted to KSEK 5,289 (17,052) during the quarter and KSEK 40,662 (82,562) for the period. Revenues during the quarter and period for both 2020 and 2019 was due to forwarding of expenses related to PledOx to Solasia Pharma K.K (Solasia). During the corresponding quarter 2019, revenue was also received due to PledOx signing fee from Solasia of 9.2 MSEK. During the corresponding period 2019 milestone payments of 48.6 MSEK also was received from Solasia. Other operating income during the quarter amounted to KSEK 399 (0) and for the period 0 (0).

Expenses

Operating expenses amounted to KSEK 78,684 (37,462) during the quarter and KSEK 219,057 (149,243) during the period. The project expenses amounted to KSEK 65,858 (26,266) during the quarter and KSEK 183,276 (112,240) during the period. The increase in both the quarter and the period 2020 compared to 2019 derives from Emcitate project costs of KSEK 13,854 (0) and the close down of the POLAR program with PledOx that amounted to KSEK 48,012 (23,435) during the quarter and KSEK 153,692 (106,148) during the period.

Employee costs amounted to KSEK 6,188 (7,569) for the quarter and KSEK 22,151 (23,386) for the period.

Other external costs amounted to KSEK 4,506 (3,159) for the quarter and KSEK 11,097 (13,334) for the period. The increase in the quarter derives from expenses due to acquisition of RTT. The decrease for the period compared to last year derives from expenses that was attributed to the change of trading platform for the company's shares during 2019. Depreciation amounted to KSEK 237 (54) for the quarter and KSEK 395 (210) for the period. KSEK 183 of the depreciations derives from amortization of licences in the acquired company RTT all other depreciation cost is due to right-of-use assets according to IFRS 16. Other operating expenses amounted to KSEK 0 (-415) for the quarter and KSEK -243 (-74) for the period. Other operating income and other operating expenses consists of exchange rate differences from operating income and operating expenses.

Results

Operating results amounted to KSEK -73,395 (-20,409) for the quarter and KSEK-178,395 (-66,681) for the period. Net financial items amounted to KSEK -2,015 (-2,597) for the quarter and KSEK -725 (5,259) for the period. Results are related to unrealized revaluation of company's FX-accounts at the end of the quarter. Results after financial items amounted to KSEK-75,410 (-23,006) for the quarter and KSEK -179,120 (-61,422) for the period. Result per share before and after dilution amounted to SEK -0,7 (-0.4) for the quarter and SEK -2,7 (-1,2) for the period both before and after dilution.

Financial position

Cash

Cash as of December 31, 2020 amounted to KSEK 287,850 (255,101).

Cash flow

Cash flow from operating activities amounted to KSEK -39,244 (-29,029) for the quarter and KSEK -134,639 (-62,641) for the period. Cash flow amounted to KSEK 129,798 (-29,083) for the quarter and KSEK 34,223 (24,079) for the period. Cash flow from operating activities is driven by costs from the clinical studies. During 2020 and 2019 positive cash flow was received from Solasia due to forwarding of expenses for PledOx. During 2019 positive cash flow was also received from Solasia regarding a signing fee of 9.2 MSEK and milestone payments of 48.6 MSEK. Cash flow from investment activities in the quarter and the period was KSEK-59,543 (0) and derives mainly from the acquisition of RTT. Cash flow from financing activities was KSEK 228,565 (-54) for the quarter and KSEK 228,405 (86,720) for the period. The cash flow is mainly due to share issue of net KSEK 228,620 (86,935).

Equity and equity ratio

As of December 31, 2020, equity amounted to KSEK 629,627 (244,876). Shareholders' equity per share amounted to SEK 5,8 (4,6), at the end of the period. The company's equity ratio was 70 (91) %.

Debts and receivables

As of December 31, 2020, non-current liabilities amounted to KSEK 194,198 (117). Liabilities that derive from the acquisition of RTT is deferred tax liability of KSEK 119,847 and other long-term liabilities of KSEK 70,716 (0). Long-term lease liabilities that are due to IFRS 16 amounts to 3,526 (117) and long-term liabilities that are due to IFRS 2 amounts to KSEK 110 (0). Current liabilities from the acquisition of RTT amounted to KSEK 7,500 (0) other non-current liabilities amounted to KSEK 61,501 (25,080). Accounts receivables amounted to KSEK 3,883 (5,200). Non-current assets amounted to KSEK 594,097 (123).

Investments, tangible and intangible assets

Due to the acquisition of RTT KSEK 581,784 of the acquisition value has been classified as an Intangible asset due to ongoing research and development projects and KSEK 7,571 is licences.

Share

The number of shares as of December 31, 2020 were 165,068,560 (53,533,321). The number of shares has increased during 2020 with 111,535,239 shares as a result of issue in kind of 63,773,345 shares and share issue of 47,761,894 shares. Egetis Therapeutics shares are listed on Nasdaq Stockholm's main market.

Stock option plan and warrant programs

Stock option plan 2020/2024

The 2020 Annual General Meeting resolved on a 2020/2024 stock option plan of 3,000,000 stock options for employees of Egetis Therapeutics. See note 1, IFRS 2, share based payments for terms and accounting policy.

To ensure the delivery of shares to participants in the company's incentive programs as well as to cover social security contributions when the share awards and employee options are exercised, the Parent Company has issued 3,942,600 warrants to its subsidiary PledPharma I AB. 3,000,000 warrants was allotted to the employees in April 2020.

Information regarding previous warrant programs.

Warrant program 2018/2021

779,500 warrants have been acquired by employees in the warrant program 2018/2021. The CEO holds 193,703 of the warrants in the warrant program 2018/2021.

Full utilization of granted options and warrants would increase the shares with 4,772,100 to a total of 169,790,660.

The average share price during the period have been lower than the subscription prices of the programs and plans. Hence no dilution has been recognized to the shareholders.

Employees

Number of employees as of December 31, 2020 were 10 (9) persons, 4 women and 6 men.

Parent company

The parent company's revenues for the quarter amounted to KSEK 3,847 (17,052) and KSEK 39,267 (82,562) for the period. The expenses for the quarter amounted to KSEK 62,051 (37,462) and KSEK 201,670 (149,252) for the period.

The parent company's result amounted to KSEK -60,219 (-23,006) for the quarter and KSEK -163,125 (-61,427) for the period. Changes in the parent company's statements corresponds mainly to the consolidated changes.

Financial non-current assets amount to KSEK 490,172 (50). The increase of KSEK 490,122 is cost of acquisition of RTT. Other-long term liabilities amounts to KSEK 63,325 (0) and derives from the acquisition of RTT.

Consolidated statement of comprehensive income

KSEK	2020 Oct-Dec	2019 Oct-Dec	2020 Jan-Dec	2019 jan-dec
Revenue				
Sales	4,890	17,052	40,662	82,562
Other operating income	399	-	-	-
	5,289	**17,052**	**40,662**	**82,562**
Operating expenses				
Costs of sales of goods	-1,895	-	-1,895	
Project costs	-65,858	-26,266	-183,276	-112,240
Other external costs	-4,506	-3,159	-11,097	-13,334
Employee costs	-6,188	-7,569	-22,151	-23,386
Depreciation and impairment	-237	-54	-395	-210
Other operating expenses	-	-415	-243	-74
Operating results	**-73,395**	**-20,409**	**-178,395**	**-66,681**
Financial items				
Interest income and similar items	33	46	163	5,266
Interest expense and similar items	-2,048	-2,643	-888	-7
Sum financial items	-2,015	-2,597	-725	5,259
Results after financial net	**-75,410**	**-23,006**	**-179,120**	**-61,422**
Tax	-	-	-	-
Results after tax	**-75,410**	**-23,006**	**-179,120**	**-61,422**
Statement of comprehensive income				
Other comprehensive income	-	-	-	-
Comprehensive income for the period	**-75,410**	**-23,006**	**-179,120**	**-61,422**
Net earnings and comprehensive income is entirely attributable to parent company shareholders				
Share Data				
Number of shares at the end of period	165,068,560	53,533,321	165,068,560	53,533,321
Average number of shares during period	109,117,145	53,533,321	67,391,206	51,626,655
Earnings per share before dilution (SEK)	-0.7	-0.4	-2.7	-1.2
Earnings per share after dilution (SEK)	-0.7	-0.4	-2.7	-1.2
Equity per average number of shares	5.8	4.6	9.3	4.6
Equity per average number of shares after dilution	5.8	4.6	9.3	4.6

Consolidated statement of financial position

KSEK	12/31/2020	12/31/2019
ASSETS		
Non-current assets		
Intangible assets	589,355	-
Tangible non-current assets	4,742	123
Total non-current assets	**594,097**	**123**
Current assets		
Inventories	3,138	-
Accounts receivables	3,883	5,200
Other receivables	2,960	1,704
Prepaid expenses and accrued income	2,039	7,945
	12,020	14,849
Cash and bank balance	287,850	255,101
Total current assets	**299,871**	**269,950**
Total assets	**893,967**	**270,073**

KSEK	12/31/2020	12/31/2019
Equity		
Share capital	8,688	2,818
Other capital contributions	1,262,837	705,278
Reserves	448	-
Accumulated loss including net loss	-642,346	-463,220
Total equity	**629,627**	**244,876**
Deferred tax liabilities	119,847	-
Other long-term liabilities	74,351	117
Total Long-term liabilities	**194,198**	**117**
Current liabilities		
Accounts payable	15,611	11,207
Other liabilities	14,542	1,328
Accrued expenses and deferred income	39,988	12,546
Total current liabilities	**70,141**	**25,081**
Total equity and liabilities	**893,967**	**270,073**

Consolidated statement of cash flows

KSEK	2020 Oct-Dec	2019 Oct-Dec	2020 Jan-Dec	2019 jan-dec
OPERATING ACTIVITIES				
Result after financial net	-75,410	-23,006	-179,120	-61,422
Adjustments for non-cash items	1,808	2,618	2,430	-937
Cash flow from operating activities before changes in working capital	**-73,602**	**-20,388**	**-176,690**	**-62,358**
Cash flow from changes in working capital				
Increase/decrease in operating receivables	6,073	-10,497	16,428	49
Increase/decrease in operating liabilities	28,306	1,856	25,624	-3,967
Cash flow from changes in working capital	**34,378**	**-8,640**	**42,051**	**3,636**
Cash flow from operating activities	**-39,224**	**-29,029**	**-134,639**	**-62,641**
INVESTING ACTIVITIES				
Acquisition of subsidiaries, net of acquired cash and cash equivalents	-59,520	-	-59,520	-
Purchase of property, plant and equipment	-24	-	-24	-
Cash flow from investing activities	**-59,543**	**-**	**-59,543**	**-**
	-			
FINANCING ACTIVITIES				
New share issue	250,750	-	250,750	91,258
Cost new share issue	-22,130	-	-22,130	-4,323
Repayment of lease liability	-55	-54	-215	-216
Cash flow from financing activities	**228,565**	**-54**	**228,405**	**86,720**
Cash flow for the period	**129,798**	**-29,083**	**34,223**	**24,079**
Balance at beginning of period	159,424	286,748	255,101	229,876
Change in cash	129,798	-29,083	34,223	24,079
Exchange rate difference in cash	-1,371	-2,564	-1,473	1,146
CASH BALANCE AT THE END OF THE PERIOD	**287,850**	**255,101**	**287,850**	**255,101**

Consolidated statement of changes in equity

KSEK	Share capital	Reserves	Other capital contributions	Accumulated loss incl. net	Total equity
Opening balance 20190101	**2,561**	**-**	**618,598**	**-401,798**	**219,362**
New share issue/Incentive program	256	-	91,002	-	91,258
Cost new share issue	-	-	-4,323	-	-4,323
Comprehensive income for period	-	-	-	-61,422	-61,422
Closing balance 20191231	**2,818**	**-**	**705,278**	**-463,220**	**244,876**
Opening balance 20200101	**2,818**	**-**	**705,278**	**-463,220**	**244,876**
Issue in kind	3,356	-	331,454	-	334,810
New share issue	2,514	-	248,236	-	250,750
Cost new share issue	-	-	-22,130	-	-22,130
Incentive program	-	448	-	-	448
Comprehensive income for period	-	-	-	-179,120	-179,120
Closing balance 20201231	**8,688**	**448**	**1,262,837**	**-642,346**	**629,627**

Consolidated key ratios

The key ratios below are useful to those who read the financial statements and a complement to other performance targets in evaluating strategic investment implementation and the Group's ability to achieve financial goals and commitments.

KSEK	2020 Oct-Dec	2019 Oct-Dec	2020 Jan-Dec	2019 Jan-Dec
Equity	629,627	244,876	629,627	244,876
Equity ratio %	70%	91%	70%	91%
Return on equity %	neg.	neg.	neg.	neg.
Number of shares at the end of the period	165,068,560	53,533,321	165,068,560	53,533,321
Number of shares at the end of the period after dilution	165,068,560	53,533,321	165,068,560	53,533,321
Average number of shares during the period	109,117,145	53,533,321	67,391,206	51,626,655
Average number of shares during the period after dilution	109,117,145	53,533,321	67,391,206	51,626,655
Share Data				
Earnings per share	-0.7	-0.4	-2.7	-1.2
Earnings per share after dilution	-0.7	-0.4	-2.7	-1.2
Cash flow from operating activities per shares, SEK	-0.4	-0.5	-2.0	-1.2
Equity per average number of shares	5.8	4.6	9.3	4.6
Equity per average number of shares after dilution	5.8	4.6	9.3	4.6
Dividend	-	-	-	-
Average number of employees	9	9	9	9

*Effect from dilution is not considered when result is negative.

Parent company - income statement

KSEK	2020 okt-dec	2019 okt-dec	2020 jan-dec	2019 jan-dec
Revenue				
Sales	3,163	17,052	38,935	82,562
Other operating income	352	-	332	-
	3,847	**17,052**	**39,267**	**82,562**
Operating expenses				
Project costs	-52,004	-26,266	-169,422	-112,240
Other external costs	-3,857	-3,214	-9,806	-13,553
Employee costs	-6,190	-7,569	-22,152	-23,386
Depreciation and impairment	-1	-	-1	-
Other operating expenses	-	-415	-290	-74
Operating results	**-58,204**	**-20,410**	**-162,403**	**-66,690**
Financial items				
Interest income and similar items	33	46	163	5,266
Interest expense and similar items	-2,048	-2,642	-885	-2
Sum financial items	-2,015	-2,596	-722	5,264
Results after financial net	**-60,219**	**-23,006**	**-163,125**	**-61,427**
Tax	-	-	-	-
Results after tax	**-60,219**	**-23,006**	**-163,125**	**-61,427**
Statement of comprehensive income				
Other comprehensive income	-	-	-	-
Comprehensive income for the period	**-60,219**	**-23,006**	**-163,125**	**-61,427**

Parent company - balance sheet

KSEK	12/31/2020	12/31/2019
ASSETS		
Non-current assets		
Tangible non-current assets	23	-
Financial non-current assets	490,172	50
Total non-current assets	**490,195**	**50**
Current assets		
Accounts receivables	2,470	5,200
Other receivables	2,266	1,704
Prepaid expenses and accrued income	1,135	7,945
	5,871	**14,849**
Cash and bank balance	285,830	254,800
Total current assets	**291,701**	**269,649**
Total assets	**781,896**	**269,699**

KSEK	12/31/2020	12/31/2019
Equity		
Restricted Equity		
Share capital	8,688	2,818
Non-restricted equity		
Share premium reserve	1,262,837	705,277
Retained earnings	-463,028	-402,049
Net profit for the year	-163,125	-61,427
Total equity	**645,371**	**244,619**
Deferred tax liabilities		
Other long-term liabilities	63,325	-
Total Long-term liabilities	**63,325**	**-**
Current liabilities		
Accounts payable	10,755	11,207
Other liabilities	5,840	1,328
Accrued expenses and deferred income	37,396	12,546
Total current liabilities	**73,199**	**25,081**
Total equity and liabilities	**781,896**	**269,699**

Notes

Note 1 - Accounting principles

Egetis Therapeutics applies International Financial Reporting Standards (IFRS) as adopted by the EU. This report is prepared in accordance with IAS 34 Interim Financial Reporting and the Annual Accounts Act and should be read together with the Egetis Therapeutics consolidated financial statements for the year ended December 31, 2019. The interim report does not include all disclosures that would otherwise be required in a complete set of financial statements. Applied accounting principles and calculation methods are the same as in the latest annual report for 2019. No new accounting principles or policies is being implemented by the Group during 2020. All the numbers in this interim report are, if nothing else is stated, stated in thousands.

As of May 1, 2020, the group applies IFRS 2 regarding stock option plan 2020/2024.

As of April 1, 2019, the group has categorized and identified two independent segments of development for calmangafodipir, PledOx and Aladote. As a result of the acquisition of RTT the segment report has been expanded with the develop area Emcitate. These three segments are independent R&D projects for which the CEO allocates company's resources.

Parent company

The parent company Egetis Therapeutics AB (publ.) prepares financial reports in accordance with the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities and the Swedish Annual Accounts Act. The parent company applies the exception from application of IFRS 16 Leases. Leasing costs are charged to profit and do not impact the balance sheet. Lease payments are recognized on a straight-line basis over the term of the lease. The parent company accounts the acquisition costs of group entities as participation in group entities under financial non-current assets and not through the income statement.

IFRS 2 share based payments

The 2020 Annual General Meeting has approved an employee stock option plan of 3,000,000 stock options in Egetis Therapeutics. Each option provides the right to subscribe for one (1) new share in the company at SEK 12.2 per share. The stock options may be exercised between May 2023 up until May 2024. The stock options have been allotted free of charge during April 2020 and the vesting time is from allotment date until May 2023. The stock options are not valid if the employee terminate their employment during the vesting time. The stock options were calculated according to the Black-Scholes option price formula.

Social security costs attributable to equity-related instruments to employees as remuneration to purchase services shall be expensed over the period the services will be performed. The expenses are measured by using the same valuation model that was used when the options were issued. The provision recognized must be revalued at each reporting period on the basis of a calculation of the social security costs that may be paid when the instruments are subscribed. Egetis Therapeutics has secured costs related to the stock option plan by subscription of 942,600 warrants to Egetis Therapeutics subsidiary. The total amount of warrants that the Parent Company has issued to PledPharma I AB amounts to 3,942,600. PledPharma I AB has allotted 3,000,000 of the warrants to the employees in Egetis Therapeutics.

Operating risks

All business operations involve risk. Risks may be company specific or due to events in the external environment and may affect a certain industry or market. The group is, among others, exposed to the following operational and financial risks.
Operational risks: Pharmaceutical development, Manufacturing, Regulatory and Intellectual property.
Financial risks: Foreign currency, Need of working capital, General market risk, Credit and Interest rate risks.
A more detailed description of Group's risk exposure is included in Egetis Therapeutics 2019 Annual Report.
There are no major changes in the Group's risk exposure in 2020 compared with previous year.

COVID-19 uncertainties

The impact of the coronavirus outbreak for Egetis Therapeutics and its operations has so far been limited. Egetis Therapeutics is closely monitoring the developments and is evaluating the extent to which this may affect operations in the short and long term. Therefore, Egetis Therapeutics continue to carefully monitor the impact of the Covid-19 pandemic and take every precaution to ensure that staff, collaborators, and study participants are safe and stay well, while progressing our clinical studies with high data quality. Due to the ongoing Covid-19 pandemic, it is challenging to start a clinical study in an emergency/intensive care setting. Other risks and uncertainties that the company currently have identified are recruitment of patients in the ongoing Emcitate study.

Note 2 – Additional information

Other information in accordance with IAS 34.16A are found on pages before the income statement and statement of comprehensive income. Information on earnings, cash flow and financial position, see page 8. For events after the period, see page 2.

Note 3 – Financial assets and liabilities

All financial assets and liabilities are measured at amortized costs except contingent liabilities. Contingent liabilities are classified as level 3 in the fair value hierarchy. The contingent liability is valued as net present value of estimated future net sales of Emcitate. The weighted average cost of capital (WACC) used is 10%.

KSEK	Non-current	Current	Total
Group December 31, 2020			
FINANCIAL ASSETS MEASURED AT AMORTISIED COST			
Accounts receivable	-	3,883	3,883
Cash	-	287,850	287,850
Total financial assets	**-**	**291,733**	**291,733**
FINANCIAL LIABLILITIES MEASURED AT FINANCIAL COST THROUGH PROFIT AND LOSS			
Contingent consideration	58,216	-	58,216
Total	**58,216**	**-**	**58,216**
FINANCIAL LIABILITIES MEASURED AT AMORTISIED COST			
Lease liablilities	3,526	1,141	4,667
Accounts payable	0	15,611	15,611
Deferred purchase price	5,000	5,000	10,000
	7,500	7,500	15,000
Total	**16,026**	**29,252**	**45,278**
Total financial liabilities	**74,242**	**29,252**	**103,494**
Group December 31, 2019			
FINANCIAL ASSETS MEASURED AT AMORTISIED COST			
Accounts receivable	-	5,200	5,200
Cash	-	255,101	255,101
Total financial assets	**-**	**260,301**	**260,301**
FINANCIAL LIABILITIES MEASURED AT AMORTISIED COST			
Lease liablilities	117	1	118
Accounts payable	-	11,207	11,207
Total	**117**	**11,208**	**11,324**
Total financial liabilities	**117**	**11,208**	**11,324**

Note 4 – Related party transactions

There are no transactions to be reported with related parties.

Note 5 – Segments

As of June 1, 2019, the group has categorized and identified two independent areas of development for calmangafodipir. As a result of the acquisition of RTT the segment report has been expanded with the develop area Emcitate. The chief operating decision maker in the company allocates company resources between these two projects. 2019 PledOx revenues reported are attributed to milestone payments and forward expenses for the Asian part of the POLAR studies. 2020 PledOx revenues reported are attributed to forward expenses for the Asian part of the POLAR studies. Table below depicts revenues and costs attributed to PledOx and Aladote.

2020 Oct-Dec KSEK	PledOx	Aladote	Emcitate	Common	Sum
Revenues	3,163	-	1,727	399	**5,289**
Costs of sales of goods	-	-	-1,895	-	**-1,895**
Project costs	-48,012	-3,992	-13,854	-	**-65,858**
Other	0	-	-	-10,931	**-10,931**
Operating results	**-44,849**	**-3,992**	**-14,022**	**-10,532**	**-73,395**
Net financial items					**-2,015**
Pretax profit					**-75,410**

2019 Oct-Dec KSEK	PledOx	Aladote	Common	Sum
Revenues	17,052	-	-	**17,052**
Costs of sales of goods	-	-	-	**-**
Project costs	-23,435	-2,831	-	**-26,266**
Other	-10	-	-11,186	**-11,196**
Operating results	**-6,393**	**-2,831**	**-11,186**	**-20,409**
Net financial items				**-2,597**
Pretax profit				**-23,006**

2020 Jan-Dec KSEK	PledOx	Aladote	Emcitate	Common	Sum
Revenues	38,935	-	1,727	-	**40,662**
Costs of sales of goods	-	-	-1,895	-	**-1,895**
Project costs	-153,692	-15,730	-13,854	-	**-183,276**
Other	-53	-	-	-33,834	**-33,887**
Operating results	**-114,809**	**-15,730**	**-14,022**	**-33,834**	**-178,395**
Net financial items					**-725**
Pretax profit					**-179,120**

2019 Jan-Dec KSEK	PledOx	Aladote	Common	Sum
Revenues	82,539	-	22	**82,562**
Costs of sales of goods	-	-	-	**-**
Project costs	-106,148	-6,091	-	**-112,240**
Other	-75	-	-36,928	**-37,003**
Operating results	**-23,684**	**-6,091**	**-36,906**	**-66,681**
Net financial items				**5,259**
Pretax profit				**-61,422**

Note 6 – Changes in financial liabilities in the financing activities

Group's financial liabilities in the financial items consists of current leasing liabilities of KSEK 82 (53) and long-term liabilities of 0 KSEK (117). Opening leasing liability for the year 2020 was KSEK 117. Amortization for the period was KSEK 53 (54) and closing balance leasing liability was KSEK 82 (170). All items are related to IFRS16.

Note 7 – Acquisition of Rare Thyroid Therapeutics International AB (RTT)

Egetis Therapeutics entered into an agreement to acquire all outstanding shares in RTT on October 5, 2020. The acquisition was completed on November 3, 2020.

RTT is consolidated into Egetis Therapeutics financial reporting as of November 3, 2020.

The purpose of the acquisition is to create a new company with a strategic focus on late-stage orphan drug development and commercialization of orphan drugs.

The acquisition creates a new specialized late-stage orphan drug development company with core expertise in clinical development, registration, and commercialization. The fixed purchase price for the shares in RTT paid at the closing consists of a cash purchase price of 60 MSEK, a share purchase price consisting of 63,773,345 new shares in Egetis Therapeutics and a deferred purchase price of 10 MSEK (which relates to compensation for converted shareholder contributions) that shall be repaid within 24 months.

The remaining part of the acquisition value consists of a contingent consideration based earnout payments on future net sales of Emcitate. The estimated amount calculated at present value amounts to 58,2 MSEK. as well an earn-out payable in connection with a potential sale of a so-called US Rare Paediatric Disease Priority Review Voucher from FDA, a program that has now been extended until 2026. The potential voucher has not currently been assigned any value in the purchase consideration due to the uncertainty.

KSEK	
Purchase consideration	
New shares issued	334,810
Cash	60,000
Contingent consideration	58,216
Deferred purchase price	10,000
Total purchase consideration	**463,026**

Preliminary purchase price allocation

A preliminary purchase price allocation of RTT follows.

KSEK	
Fair value of acquired assets and assumed liabilities	
Intangible assets	589,535
Property plant and equipment	55
Current receivables exkluding cash	13,599
Cash	480
Deferred tax liabilities	-119,847
Total acquired net assets	**463,026**
Deductible items	
New shares issued	-334,810
Contingent consideration	-58,216
Deferred purchase price	-10,000
Cash	-480
Net cash flow on acquisition of operation	**59,520**

Note 8 –Key ratios definitions

Ratios that have been calculated according to IFRS

Earnings per share. Net income divided by average number of shares before dilution.

Number of shares at end of period. The number of outstanding shares before dilution at the end of the period.

Number of shares after dilution. The number of issued shares after dilution effect of potential shares at end of period.

Average number of shares during the period. Average number of outstanding shares before dilution for the period.

Average number of shares during the period after dilution. Average number of issued shares after dilution effect of potential shares.

Ratios that have not been calculated in accordance with IFRS

Equity ratio, % The company defines the ratio as follows; The period's closing equity divided by the period's closing balance sheet. The company uses the alternate ratio Equity as it shows the proportion of total assets represented by shareholders' equity and has been included to allow investors to assess the company's capital structure.

Return on equity, % The company defines the ratio as follows; Net income divided by shareholders' equity. The company uses the alternate key figure Return on equity, % because the company believes that the key ratio gives investors a better understanding of the return generated on the total capital that the shareholders have invested in the Company.

Cash flow from operations per share. The company defines the ratio as follows; Cash flow from operating activities divided by the average number of shares outstanding at the end of the period. The company uses the alternate key figure Cash flow from operations per share because the Company believes that the key ratio gives investors a better understanding of the company's cash flow in relation to its number of shares adjusted for changes in the number of shares outstanding during the period.

Equity per share. The company defines the ratio as follows; Equity divided by number of shares outstanding at the end of the period. Outstanding stock options and warrants are only considered if they are "in the money". The company uses the alternate key ratio equity per share because the Company believes that the key ratio gives investors a better understanding of the historical return per share adjusted for changes in the number of shares outstanding during the period.

Number of employees (average) The average number of employees at the end of each period

		2020 Oct-Dec	2019 Oct-Dec	2020 Jan-Dec	2019 Jan-Dec
A	Equity, KSEK	629,627	244,876	629,627	244,876
B	Balance sheet total, KSEK	893,967	270,073	893,967	270,073
A/B	**Equity ratio %**	**70%**	**91%**	**70%**	**91%**
A	Net result, KSEK	-75,410	-23,006	-179,120	-61,422
B	Equity, KSEK	629,627	244,876	629,627	244,876
A/B	**Return on equity, %**	**neg.**	**neg.**	**neg.**	**neg.**
A	Cash flow from operating activities, SEK	-39,224	-29,029	-134,639	-62,641
B	Average number of shares under the period, before dilution	109,117	53,533	67,391	51,627
A/B	**Cash flow from operating activities per shares, SEK**	**-0.4**	**-0.5**	**-2.0**	**-1.2**
A	Equity, KSEK	629,627	244,876	629,627	244,876
B	Average number of shares at the end of the period before dilution, thousand	109,117	53,533	67,391	51,627
A/B	**Equity per average number of shares before dilution, SEK**	**5.8**	**4.6**	**9.3**	**4.7**
A	Equity, KSEK	629,627	244,876	629,627	244,876
B	Average number of shares at the end of the period after dilution, thousand	109,117	53,533	67,391	51,627
A/B	**Equity per average number of shares after dilution, SEK**	**5.8**	**4.6**	**9.3**	**4.7**

Other information

Next reports

Annual Report January 1- December 31, 2020, Mars 30, 2021.
Interim report January 1.-March 31, April 22, 2021.
Annual General Meeting April 29,2021.
Interim report April 1- June 30, August 19, 2021.
Interim report July 1- September 30, 2021, November 4, 2021.

Egetis Therapeutic's board of directors do not recommend any dividend for the full-year 2020.

This report, and further information is available on the website, www.egetis.com
This report has been reviewed by the company's auditor. This is a translation of the Swedish interim report.

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This information is such information as Egetis Therapeutics AB (publ.) is obliged to disclose in accordance with EU market abuse regulation and the Securities Markets Act. The information was submitted, through the above contact persons, for publication on February 17, 2021 at 8.00 am (CET).

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Certification

This report provides a true and fair overview of the company's business activities, financial position, and results of operations, and describes significant risks and uncertainties to which the company is exposed.

Stockholm, February 17, 2021.

Håkan Åström	Elisabeth Svanberg
Chairman of the board	Board member
Sten Nilsson	Gunilla Osswald
Board member	Board member
Peder Walberg	Nicklas Westerholm
Board member	*CEO*