ANNUAL REPORT 2020

THE POWER
OF PRECISION.
FOR EVERY
ONCOLOGIST.
TODAY.

2curex

2CUREX TRANSITION FROM A RESEARCH AND DEVELOPMENT ORGANIZATION TO A FULL-FLEDGED IN VITRO DIAGNOSTICS SUPPLIER IS WELL UNDER WAY

WHAT IS IVD ***(IN VITRO DIAGNOSTICS)*****?**
An In Vitro Diagnostic (IVD) device is a medical device, be it an instrument, reagents, control materials, calibrators, equipment or software, that is intended to be used for the examination of human samples, such as blood, urine, saliva or tissues for the purpose of providing information on:

- a physiological or pathological process or state
- congenital physical or mental impairments
- predisposition to a medical condition or a disease
- the safety and compatibility with potential recipients, for example in blood donations
- to predict treatment response or reactions
- to define or monitoring therapeutic measures

IVD devices range from very large, fully automated systems capable of analyzing tenths of thousands of samples per day to small, handheld devices used by patients for self-monitoring, for example in the case of people with diabetes, or pregnancy tests sold in pharmacies.

Typical examples of IVD devices are clinical chemistry analyzers, hematology analyzers or urine analyzers.

The European IVD market is approximately 12 bn EUR according to estimates by MedTech Europe, the European industry association.

IndiTreat® is an IVD test, as it utilizes human tumoral tissue to predict response to different drugs.

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CEO LETTER –

2CUREX LEADING THE WAY

2020 AT 2CUREX

2020 has been a very successful year for 2cureX, and once again we have achieved our goals, even under the difficult conditions imposed by the COVID-19 crisis. Major events in this year included:

Introduction of our first product

We presented IndiTreat® mCRC 3L at the European Society of Medical Oncology (ESMO) conference in September. This is our first product in the market, an application of IndiTreat® for third line therapy selection in patients with metastatic colorectal cancer.

Finalization of TICC Trial

The long awaited TICC Trial was finalized on schedule, fulfilling the primary goal of showing that the number of patients with stabilized disease after eight weeks of treatment is doubled when IndiTreat® is used for selecting the therapy, compared to standard-of-care. The detailed results will be disclosed by the Principal Investigator at the ASCO conference in June and 2cureX is not allowed to make any statements prior to that.

Expansion of commercial network

The first three distribution agreements were signed in 2020, covering in one of them Sweden, Finland and Norway, and Portugal and Bulgaria respectively in the remaining two. The appointed distributors have started promoting IndiTreat® in their markets and taking the necessary steps to get the first customers. Commercial operations in Denmark are conducted directly by 2cureX staff.

Strengthening of IP protection

We were granted in February 2020 a new core patent in Europe, covering a key process in our technology, and expanding our IP protection. We believe this newly protected process gives IndiTreat® an advantage over competitive approaches.

Securing a solid financial position

A 40 Million SEK directed issue was fully subscribed in July, strengthening the financial position of the company and providing the funds required to accelerate our market introduction.

Acquisition of new skills for the next phase

Entering the commercial phase at 2cureX required strengthening some profiles in the company. To this end, Michael Lutz and Nils Brünner were appointed new Board members back in July, bringing solid business skills in the fields of oncology and In Vitro Diagnostics.

More recently, the additions of Kenneth Johansen as new CFO, and myself as new CEO added expertise in developing new businesses in international environments.

MATURITY OF FUNCTIONAL PRECISION ONCOLOGY

Beyond the developments at 2cureX, this has also been the year in which Functional Precision Oncology has evolved from being considered as a "research" technology to being increasingly seen a clinical tool, as shown by an increased presence of the concept in oncology conferences and symposia.

This maturation process marks the start of the race to gain a leadership position in a rapidly emerging field. While there is still some way to go, because Functional Precision Oncology is not yet considered in clinical guidelines, and it is not yet part of reimbursement schemes, companies are already taking positions in the starting line, and we can confidently say that 2cureX is at the forefront.

ACCELERATED GO-TO-MARKET

Our focus in 2021 is on getting the first users for IndiTreat® mCRC 3L in the main European markets. While the original plan was to offer IndiTreat® in Sweden, Denmark, Finland and Norway, the positive response to our first product introduction has encouraged us to accelerate the geographic expansion to additional countries. After careful assessment of the market opportunities and barriers to entry, we have prioritized Italy, Spain, France and Poland, where we are already actively discussing with potential distributors and early users of IndiTreat®.

The steps to generate mainstream sales differ country to country, depending on the structure of their healthcare systems. We have initiated the required activities to prepare applications for reimbursement in the major European markets, and while this process can be long in some countries, we are in parallel addressing some smaller customer segments in which we expect to generate some sales during the second half of 2021.

REGULATORY CHANGES

The regulatory environment of In Vitro Diagnostics in Europe is undergoing a drastic change. The current Directive 98/79/EC will be replaced in 2022 by a new, much tighter EU Regulation 2017/746. We think this change will have an impact on the competitive landscape, as not all companies and institutions currently offering Functional Tests will be able to fulfill the new requirements. At 2cureX we are already working to update our technical files to be compliant with the new Regulation when it comes in force.

WHY 2CUREX?

The last 15 years of my professional career have been dedicated to oncology diagnostics, with different technologies and in different companies. I have witnessed the revolution that molecular biomarkers represented in the way cancer is diagnosed and treated. But this "first wave" of personalized oncology is only suitable for a small fraction of the total population of people with cancer. There is a need for new approaches that complement the existing tools oncologists use. I am fully convinced that Functional Precision Oncology will be driving the next wave in personalized oncology, and 2cureX is leading the way.

The transition from a technology for "research use" to a technology for "clinical use" is not trivial in a highly regulated environment as the In Vitro Diagnostics field, but the company is well prepared and has a solid, experienced and highly motivated team behind. We are sure that as Functional Precision Oncology continues to mature, we will be able to leverage and extend our lead, thus fulfilling the foundational vision of 2cureX and the expectations of our shareholders who have supported us one more year, and to whom we are grateful and fully committed.

We look forward to sharing with you substantial and exciting progress in throughout 2021.

Fernando Andreu, *CEO*
May 4th 2021

"I am fully convinced that Functional Precision Oncology will be driving the next wave in personalized oncology, and 2cureX is leading the way."

FERNANDO ANDREU, *CEO*

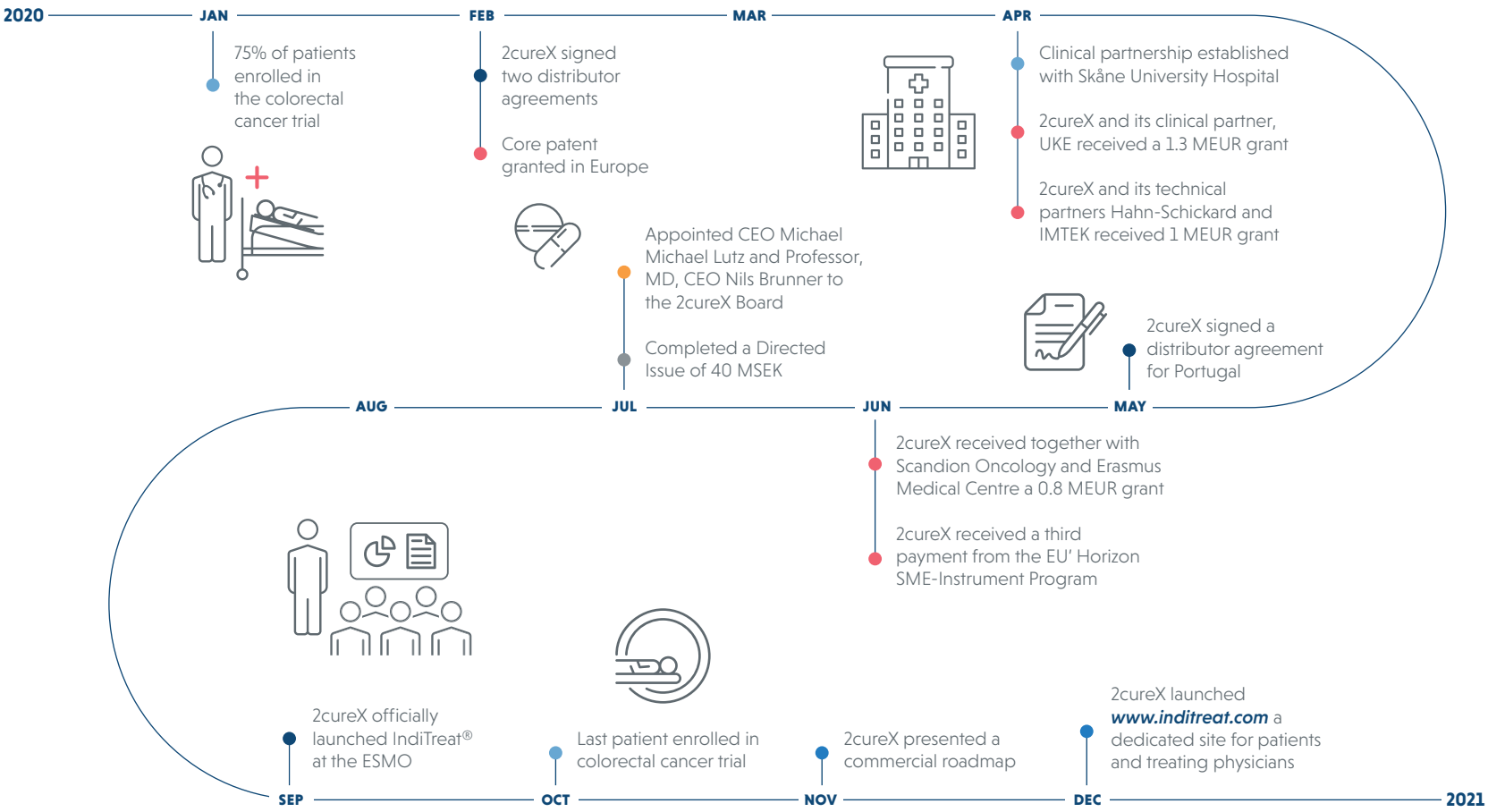
FINANCIAL HIGHLIGHTS FOR 2020

(KSEK) if not stated otherwise	**2020** *1/1-31/12*	**2019** *1/1-31/12*
Net sales	0	0
Profit before tax	-8 591	-9 411
Earnings per share*	-0,54	-0,68
Equity ratio**	93%	74%
Cash flow from operating activities	-11 694	-7 864
Cash flow for the period	25 513	13 961
Cash and cash equivalents at the end of the period	58 577	33 720
Average number of shares	13 604 775	11 609 014
No. of shares by the end of the period	14 856 600	12 240 000

**Earnings per share: Profit for the period divided by the average number of shares.*

***Equity ratio: Shareholder's equity divided by total capital.*

HIGHLIGHTS IN 2020



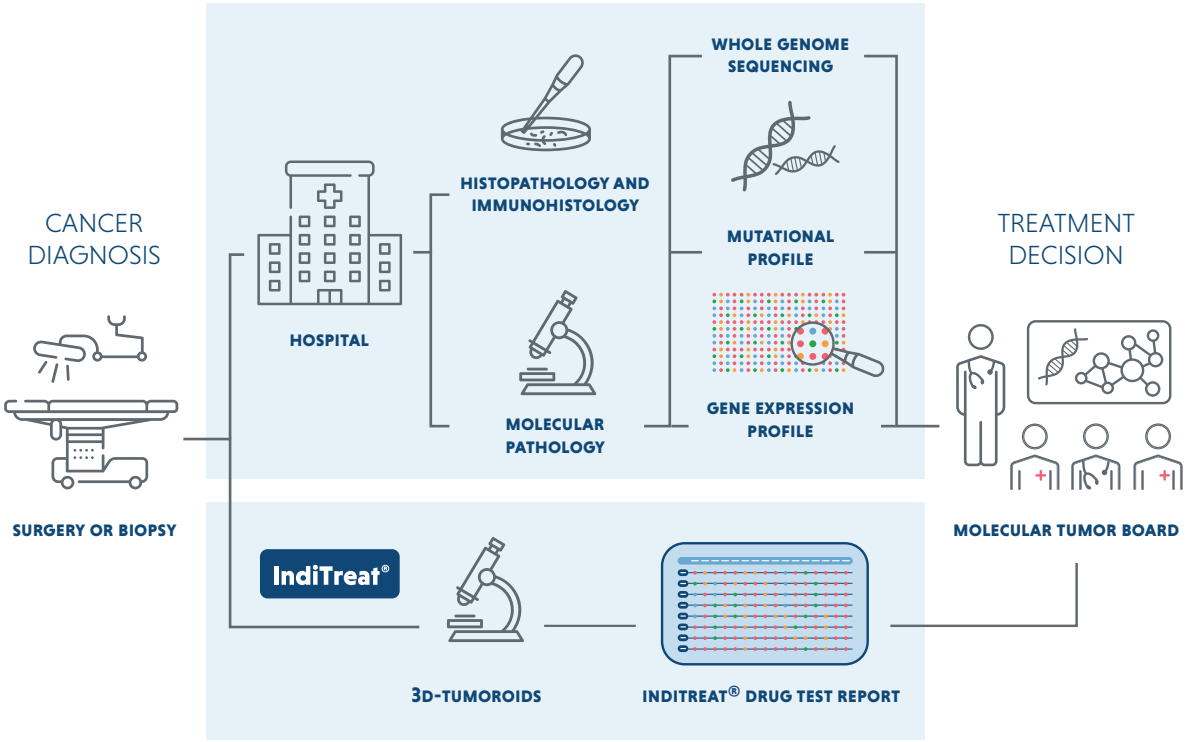
FUNCTIONAL PRECISION MEDICINE

"What is most exciting about functional drug screening is that it almost always reveals a drug candidate"

Prof. Gabor T Marth, *University of Utah, USA*

FUNCTIONAL PRECISION MEDICINE AND INDITREAT®

2cureX has pioneered the development of cell-functional test systems based on 3D-microtumors. 2cureX is at the forefront of the rapidly developing area of Functional Precision Medicine with its proprietary and clinically validated IndiTreat® test.



The concept of personalized or precision medicine was born out of the human genome project around the year 2000. The belief was that a genomic profile would allow physicians to design an effective treatment for the individual patient. Today, after massive research efforts and huge financial support from both public and private sources, several clinical trials have concluded that genomic profiling on its own has only led to effective cancer treatment for a limited number of patients.

2cureX has since its foundation in 2007 pioneered the establishment of a supplement to genomic profiling for individualizing cancer treatment – a cell-functional test system (IndiTreat®). Solid cancers like e.g. colorectal cancer grow in the patient in a 3-dimensional phenotype.

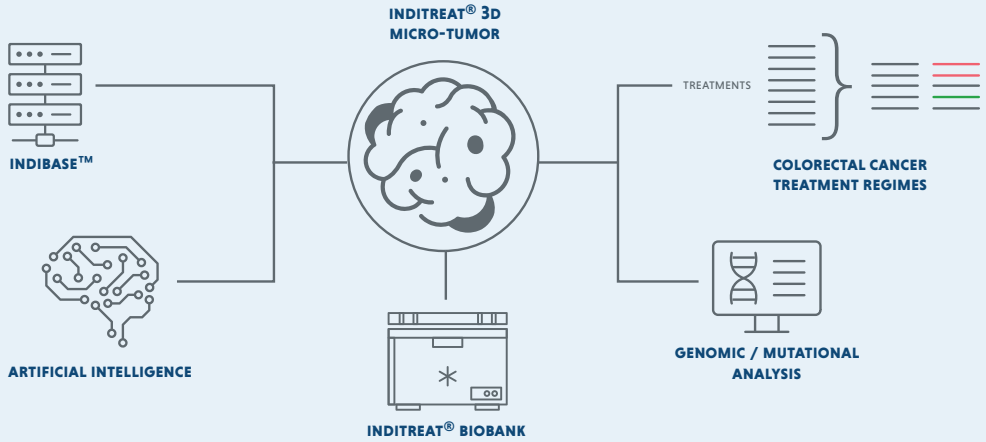
2cureX has simulated this growth pattern by establishing hundreds to thousands of small 3-D microtumors (tumoroids) from a small biopsy of the patient's tumor. Together with academic and clinical partners we have published that our tumoroids in the IndiTreat® test system resemble the original tumors with regard to genetic composition and functionality. IndiTreat is a Functional Precision Medicine test.

2020 has been a turning point for Functional Precision Medicine. Throughout the year, we have seen significant signals that this concept (the use of patient-derived tumoroids to select the best treatment for that specific patient) has gained momentum and is becoming mainstream in the oncology community. As an example, we were delighted to see the US National Cancer Institute

organize in March 2020 a webinar called "Functional Precision Oncology for Cancer Treatment Selection" in which the concept was presented as a necessary complement to biomarker-based approaches. More recently, the AACR (American Association of Cancer Research) included in its 2021 annual meeting a Major Symposium on "Functional Precision Medicine in Cancer" and stated in the announcement that "Immediately actionable information can be obtained by exposing patient tumor cells directly to the therapeutics of interest".

These dynamics mark the immediate start of a race to gain a leadership position in this rapidly emerging field. There is still some way to go. Functional Precision Oncology is not yet mentioned in clinical guidelines, and it is not part of reimbursement schemes, but companies are already taking positions in the starting line, and we can say that 2cureX is at the forefront. 2cureX thus successfully finalized the worlds first prospective interventional clinical trial where drug the¬rapy is guided by 3D-microtumors (see page 14).

THE INDITREAT® OFFERING



THE INDITREAT® OFFERING INCLUDES:

- Drug sensitivity report where the specific patient is compared to a panel of reference patients
- Biobanking of patient tissue for later testing with novel drug opportunities e.g. in the case of subsequent drug resistance
- Annotation of functional response to genomic/mutational analysis
- 2cureX has a number of drug panels for different disease entities – beyond those it is possible for the oncologist to customize drug panels to be tested

OUR PATH TO MARKET –

A GLOBAL LEADER IN FUNCTIONAL PRECISION ONCOLOGY

2cureX's transition from a research and development organization to a full-fledged In Vitro Diagnostics supplier is well under way. We are the first company to have a CE marked Functional Test in oncology. While we are rolling out our IndiTreat® mCRC 3L in Europe, building the distributor network and strengthening the internal functions associated with quality and regulatory compliance, we are seeing an increased awareness in the market about Functional Testing, and are discussing early user programs with several leading institutions. Importantly, the activities we are conducting with our IndiTreat® mCRC 3L test provide the template for a faster rollout of future tests in our portfolio. This portfolio development, an increased penetration in the Global markets and the transition from a service to a product business model are the three axes on which we will build the future growth of 2cureX to become a global leader in Functional Precision Oncology.

OUR GOAL

Our goal at 2cureX is to make Functional Testing part of standard clinical practice in Oncology. Through Functional Tests, oncologists can assess which drugs will work or not work on an individual patient prior to starting the treatment, thus improving patient's outcomes, and avoiding costs of unnecessary treatments for healthcare systems. While different approaches to Functional Testing have been used in research environments, none of them is suitable for routine use in clinical practice so far. 2cureX has developed IndiTreat® with the intention of making it fit for that purpose.

A NEW PHASE

Since its establishment in 2006, 2cureX has developed and perfected the technology to make better and faster oncology Functional Tests, suitable for its use in clinical practice. In these years, the company has conducted research and development activities in our facilities in Copenhagen and Hamburg, and in strong collaboration with leading Hospitals across Europe. Through these activities we have built a unique knowledge base about three-dimensional culture of patient cells and their interactions with drugs, which crystalized in the IndiTreat® technology and a solid portfolio of patents around it.

The first product introduced in the market, IndiTreat® mCRC 3L, is a test to support therapy decision-making in patients with metastatic colorectal cancer in third line of treatment. This product was first presented to the market at the ESMO conference in September 2020, followed by the long-expected announcement of the results of the TICC Clinical Trial, also referred to in this document as NCT03251612, for its registration number at clinicaltrials.gov. The study fulfilled its primary goal of demonstrating significant increase in the number of patients with eight week progression-free survival when patients are treated according to IndiTreat® recommendation, compared to standard-of-care.

These events mark the start of a new phase at 2cureX, with the company undergoing a fast transition from being a research and development organization to becoming a full-fledged In Vitro Diagnostics (IVD) company. This evolution requires additional skill sets, activities and resources that we are quickly building up. It is in this context that at the beginning of 2021 a new CEO and a new CFO were appointed, both coming with extensive experience in the IVD industry. Since then, the company has accelerated the business development activities, aimed at creating a new product category in the market, Functional Precision Oncology, and building a solid leadership position in it.

OUR STRATEGY

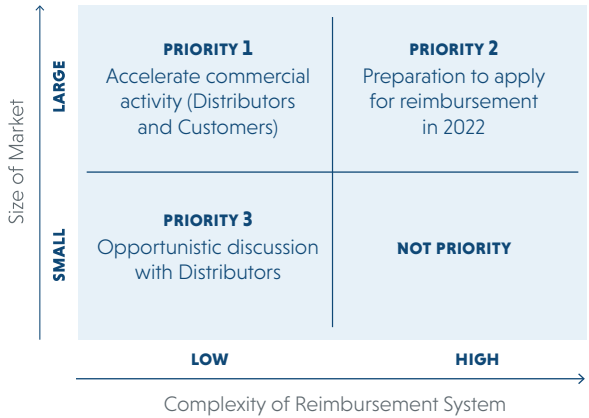
The clinical evidence provided by the study NCT-03251612 opens the door to additional applications in the field of metastatic colorectal cancer, and we have increased our efforts in the development of at least one more product in that area. Having multiple products in the same space allows oncologists to use them in different moments throughout the patient journey, creating a synergistic effect as they can combine information about the patient´s drug response and resistance profile in different moments in time. From a commercial perspective, offering additional products to the same customer segment, Gastrointestinal Cancer oncologists, we will leverage the customer base we are creating with the launch of the first product, mCRC 3L. The vision is to end up with a family of IndiTreat® tests that will cover multiple cancer entities and several indications within each of them.

The tests are currently offered as a service, run out of our laboratories in Copenhagen. In a second step we will be offering our products as a system, including instruments, reagents, consumables and software, to hospitals around the world, for them to run the tests and generate the results, transitioning our business model from being a service supplier to being a product and service supplier.

ACCELERATED GEOGRAPHIC EXPANSION

While the original plan for 2021 was to offer IndiTreat® only in Nordic countries, Sweden, Denmark, Finland and Norway, where we have an appointed distributor, the positive response to our first product launch has encouraged us to accelerate the geographic expansion to other countries.

Market access activities include mainly getting reimbursement for a new product and having it included in clinical guidelines. These activities are very country-specific and heterogeneous across Europe, and there is not a common "European pathway". We have systematically classified the different European markets based on a combined attractiveness score, considering its size and the complexity of market access. Italy, Spain, Portugal, France and Poland have emerged as short-term priorities for 2021, where we are already actively discussing with potential distributors and early users of IndiTreat®. At the time of issuing this report, we already have an appointed distributor in Portugal. Other European markets will be addressed in 2022 although preparation activities have already started.



PATH TO REVENUE

We expect the first sales of IndiTreat® mCRC 3L towards the second half of 2021. In each country we have a different path to generate those sales, mainly depending on whether IVD products in that country are covered by a centralized reimbursement system or they are acquired out of each individual hospital's budget. In the first case we will need a longer period until the product is accepted for reimbursement, but once it is, the market penetration will be faster. In the second case, first sales can come in a matter of months, but the uptake will be slower because each individual hospital has to make the decision to fund the cost of the product. We are currently working with market access experts in the major countries in preparing the applications for reimbursement for IndiTreat® mCRC 3L where applicable.

CHANGING REGULATORY ENVIRONMENT

The EU is undergoing a deep change in the regulatory requirements for Medical Devices and IVD products. As of May 26th, 2022, all products in the market will need to comply with the new EU Regulation 2017/746, replacing the current Directive 98/79/EC.

The new Regulation raises the bar for IVD manufacturers in terms of the documentation and the clinical evidence for safety and performance that will be required to get the CE Mark. There is also an increased requirement for post market surveillance. Importantly, the CE Mark will now come as a result of the certification by a Notified Body, as opposed to the Declaration-of-Conformity currently in place.

While our current IndiTreat® product is CE marked under the IVD Directive 98/79/EC, we are compiling the Technical Files to submit the application for certification under Regulation 2017/746. As all products in the market have to be certified under the new Regulation, there is a chal-

lenge across the industry related to the capacity of Notified Bodies to handle all the applications. This bottleneck only worsened in 2020 due to COVID-19 restrictions, and while MedTech Europe, the European Industry Association representing IVD and Medical Devices manufacturers, has requested an extension of the deadlines, the regulatory authorities have not responded to that demand. We are therefore working at 2cureX under the assumption that the May 26th, 2022 is still the limit to get our product certified.

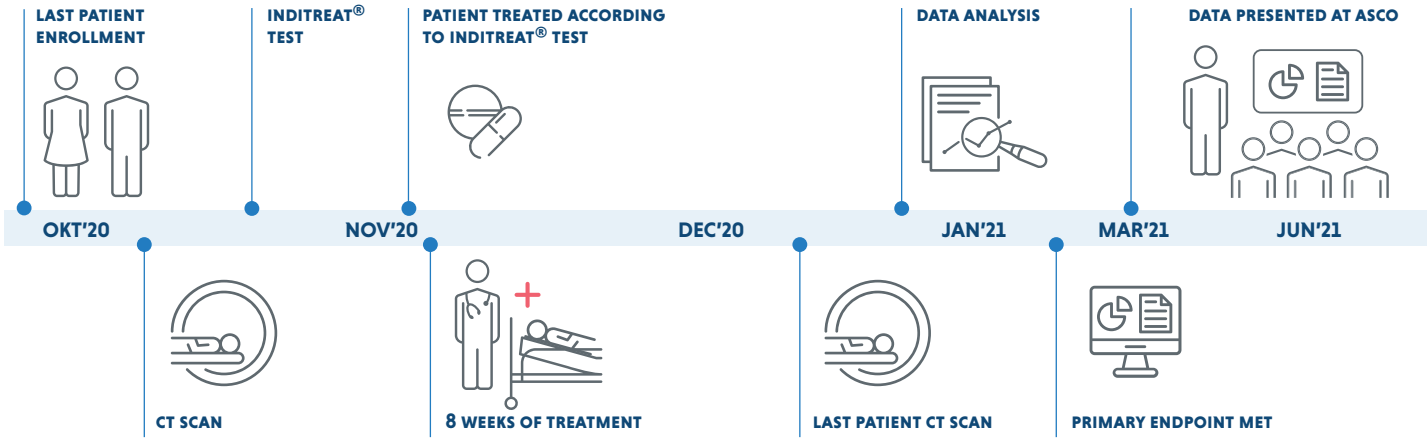
We expect this tightening of the IVD requirements will clarify the competitive landscape, clearly differentiating organizations doing Functional Testing for research purposes and those addressing the clinical use market, among which 2cureX will have a leading position.

In parallel with our efforts to update the Technical Files for IndiTreat® CRC 3L, the company has implemented ISO 13485 in 2020. This is the standard covering design, manufacturing and commercialization of Medical Devices, including IVDs, and the certification is proof that a company's Quality Management System is compliant. At the time of releasing this report the company is being audited and we are expecting to get the certification in the coming weeks.

FOCUS AREAS IN 2021

- *Consolidate commercial activities in selected European markets*
- *Achieve first sales for IndiTreat® mCRC 3L*
- *Get ISO 13485 certification*
- *Prepare for submission of CE Mark under the new IVD Regulation*
- *Develop next product in the IndiTreat® portfolio*
- *Initiate request for reimbursement in major European markets*
- *Organizational development*

THE FIRST INDITREAT® PRODUCT IS HELPING PATIENTS WITH METASTATIC COLORECTAL CANCER



In alignment with 2cureX's expectations the last patient in the colorectal cancer trial (NCT03251612, TICC) was enrolled in Q3 of 2020 and provided an IndiTreat-guided treatment.

In Q1 2021 we announced that the TICC trial successfully met the primary endpoint.

The primary endpoint (overall goal) of the trial was that at least 40% of the patients experienced no growth (Progression-free-Survival, PFS) of their liver metastases after eight weeks of IndiTreat-guided treatment. The standard of care for these difficult to treat cancer patients provides a PFS of 20%.

The TICC trial was launched in late 2017 by 2cureX together with University Hospital Vejle, Denmark. The trial is the world's first prospective interventional trial where 3D microtumors are guiding treatment. The TICC trial is an Investigator Initiated Trial (IIT), meaning that the Principal Investigator (Dr Lars H Jensen, from Vejle Hospital, Denmark) is in control of the full process from designing the trial to conducting it, analyzing the results, and publishing them.

At 2cureX we believe in the importance of IITs because they are conducted independently and are focused on real clinical needs.

The Principal Investigator has submitted the data for publication at the Annual Meeting of ASCO (American Society of Clinical Oncology). The ASCO conference is the largest and most prestigious worldwide congress

on Clinical Oncology, gathering over 30,000 physicians and health professionals from all over the world. Results of the most important studies addressing cancer are presented during this event, many of them with positive impact on the clinical oncology practice. We think that ASCO is the perfect place for presenting these important clinical results where 3D micro-tumors are guiding cancer treatment. According to ASCO rules we are allowed to mention that the TICC trial had met the primary endpoint; but we cannot reveal the full data package before it is published by ASCO.

It is a major achievement for cell Functional Testing that IndiTreat was able to meet the very ambitious endpoint of the TICC trial. It shows the tremendous potential of this type of testing and ease the way into international guidelines.

"2cureX has been through an exciting journey that now has crystallized into a unique ability to improve the treatment outcome and quality of life of colorectal cancer patients"

Ole Thastrup *(CSO and Professor)*

CORPORATE GOVERNANCE

The 2cureX group consists of a holding company, 2cureX AB (publ) (Sweden) that is listed at Nasdaq First North Growth Market, and two operational companies 2cureX A/S (Denmark) and 2cureX GmbH (Germany). 2cureX AB and 2cureX A/S have the same Board of Directors who has the overall responsibility of the governance structure for the 2cureX group.

Corporate governance is linked to compliance with Nasdaq First North Growth Market Rulebook and laws and regulations relevant for 2cureX.

Key aspects of the governance structure relate to shareholder's meetings, Article of Association, the composition of the Board of Director's and Board's annual wheel. The board of Directors has implemented relevant policies and procedures for 2cureX.

POVL-ANDRÉ BENDZ
Chairman of 2cureX AB and 2cureX A/S

Povl-André Bendz (B. 1962) is an Executive and Investor. Povl-André has an M.Sc. from Copenhagen Business School and long experience from commercial and financial assignments within Medtech and Biotech. Povl-André has previously been CEO and owner at Upfront Chromatography for 3 years, Executive Vice President and CFO at the Danish company Delta Technology for nine years and has long experience of board work.

Povl-André has been the chairman of 2cureX AB since 2017 and 2cureX A/S since 2014.

2CUREX SHARE OWNERSHIP AND WARRANTS
94,962 shares; 80,000 warrants

OTHER BOARD ASSIGNMENTS
Audientes A/S (listed on Nasdaq First North Growth market Copenhagen), Thornæs. Destilleri ApS, IMATRA Holding S.A., Agilco ApS

INDEPENDENCE
Independent of management, the company and major shareholders.

JØRGEN DREJER
Board Member of 2cureX AB and 2cureX A/S

Jørgen Drejer (B. 1955) is the founder and Chief Scientific Officer of Saniona AB.

Jørgen is an experienced entrepreneur and has previously founded a large number of biotech companies Including NsGene and Sophion Biosciences. Jørgen is a member of the Danish Academy of Engineering Sciences and has also been a director of the Danish Research Council for Independent Research. Jørgen holds a doctorate in neurobiology from Copenhagen University and is the author of more than 75 scientific articles.

Jørgen has been a board member of 2cureX AB since 2017 and 2cureX A/S since 2017.

2CUREX SHARE OWNERSHIP AND WARRANTS
12,820 shares; 40,000 warrants

OTHER BOARD ASSIGNMENTS
Saniona AB

INDEPENDENCE
Independent of management, the company and major shareholders.

OLE THASTRUP
Board member and CSO of 2cureX AB and 2cureX A/S

Ole Thastrup (B. 1953) is co-founder. He has been a board member of 2cureX since 2006.

Ole holds an MSc in Pharmacy and a PhD in Pharmacology and Medicinal Chemistry. Ole is also Professor at the University of Copenhagen Prior to 2cureX Ole was Head of Carls-berg Biosector where he was responsible for Carlsberg's biomedical research. Before that, Ole was the scientific founder and Chief Scientific Officer of BioImage A/S (now Thermo Fischer BioImage) that was spun out of Novo Nordisk A/S Ole is inventor of several families of globally issued patents. He had advised several venture funds and is member of granting institutions (e g Novo Nordisk Foundation).

2CUREX SHARE OWNERSHIP AND WARRANTS
3,778,304 shares via own company

OTHER BOARD ASSIGNMENTS
OT311 ApS

INDEPENDENCE
Affiliated to management, the company and major shareholders

CAMILLA HUSE BONDESSON
Board Member of 2cureX AB and 2cureX A/S

Camilla Huse Bondesson (B. 1958) is Executive and board member in Medtech companies.

Camilla has an Executive MBA from Stockholm University. Currently, she is Chairman of the Board of Gradientech AB, Immuneed AB and TdB Labs AB. Camilla has over thirty years of international operational and strategic experience from senior positions at companies in the biotechnology field, including as General Manager of Behring Diagnostica AB, International Product Manager for Biacore, Marketing Director of Amersham Biosciences (current GE Healthcare Life Sciences) and VP Marketing for Gyros AB. Since 2004 Camilla is working as a consultant and partner at Conlega, a consulting company focusing on Life Science.

Camilla has been a board member of 2cureX AB since 2019 and 2cureX A/S since 2019.

2CUREX SHARE OWNERSHIP AND WARRANTS
33,472 shares; 40,000 warrants

OTHER BOARD ASSIGNMENTS
Gradientech AB; Immuneed AB; TdB Consultancy AB

INDEPENDENCE
Independent of management, the company and major shareholders.

NILS BRÜNNER
Board member of 2cureXAB and 2cureX A/S

Nils Brünner (B. 1952) is co-founder Scandion Oncology A/S.

Nils is a medical oncologist with extensiive experience as both a clinician and as a biotech entrepeneur. Nils is a highly recognized scientist with more than 370 scientific papers especially in the field of translational cancer research. Nils is one of the founders of Scandion Oncology A/S

2CUREX SHARE OWNERSHIP AND WARRANTS
2,000 shares; 40,000 warrants

OTHER BOARD ASSIGNMENTS
Gibson Oncology, GeneTelligence, Medical Faculty University of Lund

INDEPENDENCE
Independent of management, the company and major shareholders.

MICHAEL LUTZ
Board member of 2cureX AB and 2cureX A/S

Michael Lutz (B. 1968) is CEO of HepaRegeniX GmbH (Tübingen, Germany)

Michael holds a PhD in Bio-organic Chemistry from Swiss Federal Institute of Technology at Zürich.

Michael Lutz is an experienced biotech entrepreneur who has spent the last 15 years at executive management positions with several US and European Life Sciences companies which he successfully established or built-up to a successful exit. Michael is CEO of HepaRegeniX GmbH (Tübingen, Germany).

Michael has been a board member of 2cureX A/S since 2020 and 2cureX AB since 2020.

2CUREX SHARE OWNERSHIP AND WARRANTS
5,000 shares; 40,000 warrants

OTHER BOARD ASSIGNMENTS
HepaRegeniX GmbH
Noscendo GmbH

INDEPENDENCE
Independent of management, the company and major shareholders

MANAGEMENT

FERNANDO ANDREU
CEO

Fernando Andreu (B. 1964) is CEO of 2cureX AB and 2cureX A/S since 2021.

Fernando brings to the company more than 30 years' experience in the In Vitro Diagnostics industry, having held top management positions at companies like Chiron, Roche Diagnostics and Sysmex, always with a focus in Global Business Development. Most recent positions include CEO at Sysmex Inostics (affiliate of Sysmex developing Liquid Biopsy technologies and products in oncology), Senior Executive Officer at Sysmex EMEA, COO of Indivumed Group (multi-omics database and AI platform for cancer discovery) and CEO of Indivumed Inc (US affiliate of Indivumed).

He holds a Degree in Business Administration and an MBA from ESADE Business School (Barcelona) where he has also been a Professor, associated to the Business Strategy Department.

KENNETH G. JOHANSEN
Chief Financial Officer

Kenneth G. Johansen (B. 1976) joined 2cureX in 2021 as CFO.

With more than 15 years of experience in buisness development and financial administration from the intersection of the biomedical area and advanced data analysis, Kenneth is fully engaged in delivering excellent business operations. More recent and relevant experience includes COO of JADBio (Greece), CEO of Raven biosciences (DK), CEO of QIAGEN Aarhus (DK) and CFO of CLC bio (DK).

In addition, he has several years of working in audit with KPMG (DK), and holds a BA in Financial Managementand Accounting.

OLE THASTRUP
CSO and Deputy CEO

Ole Thastrup (B. 1953) is co-founder. He has been a board member of 2cureX since 2006.

Reference is made to description on page 18.

2CUREX SHARE OWNERSHIP AND WARRANTS
3,778,304 shares via own company

OTHER BOARD ASSIGNMENTS
OT311 ApS

INDEPENDENCE
Affiliated to management, the company and major shareholders

MAARTEN VAN DER LINDEN
Chief Business Officer

Maarten van der Linden (B. 1969) joined 2cureX in 2018.

Maarten has 15 years of experience in the international Life Science and diagnostic industry. Maarten was recently Senior Director of Marketing for the EMEA region at Abbott Laboratories where he in three consecutive years outperformed the diagnostic market growth with a focus on Molecular Diagnostics and especially the oncology market.

Before that, Maarten was Senior Director of Global marketing at Agilent Technologies in Denmark and Regional Business Manager for new Products at Merck, Sharp & Dohme covering multiple disease areas, including oncology. Maarten holds an Executive MBA Henley Business School, UK.

2CUREX SHARE OWNERSHIP AND WARRANTS
7,464 shares; 80,000 warrants

HENRIK HARLING
Chief Medical Officer

Henrik Harling (B. 1953) joined 2cureX in 2019 as CMO.

Henrik is experienced surgeon and researcher within colorectal cancer and Head of Digestive Disease Center at Bispebjerg University Hospital 2000-2016. He is one of the founders of the Danish Colorectal Cancer Group (DCCG) and Chairman of the Danish Colorectal Cancer Register from 1994 to 2010. DCCG is setting guidelines for colorectal cancer treatment and involved in deciding on implementation of new diagnostic technologies in Denmark.

2CUREX SHARE OWNERSHIP AND WARRANTS
23,430 shares

GRITH HAGEL
Head of Project Management

Grith Hagel (B. 1959) is co-founder of 2cureX in 2006.

Grith has a comprehensive experience in developing and running drug screening campaigns. Grith is the inventor of several patents on advanced cell-based, high throughput screening technologies.

Grith Hagel was co-founder of BioImage A/S that was spun-out of Novo Nordisk. She was responsible for the development of functional cell-based assays, and for their transfer to partners like Amersham plc (now GE Healthcare).

2CUREX SHARE OWNERSHIP AND WARRANTS
619,735 shares

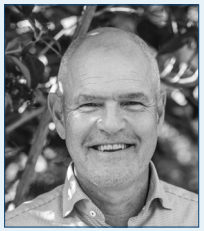
JÜRGEN KUPPER
Managing Director (2cureX GmbH)

Jürgen Kupper (B. 1965) joined 2cureX in 2015.

He began his career at Evotec AG in 1999. Jürgen's previous experience include COO of Evotec Technologies, Product Leader for Live Cell Imaging at PerkinElmer and managing director of the diagnostic center at the University Medical Center Hamburg-Eppendorf (UKE). Jürgen holds a Ph.D. win Biophysics from Brandeis University, USA.

2CUREX SHARE OWNERSHIP AND WARRANTS
160,000 warrants

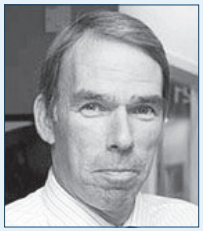
CLINICAL ADVISORY BOARD



NILS BRÜNNER

Nils is an experienced oncologist and Professor Emeritus in drug design and cancer research at the University of Copenhagen and at The Danish Cancer Society.

Nils is one of the founders of Scandion Oncology A/S and Oncology Venture A/S and has extensive knowledge of colorectal cancer and drug development.



DION MORTON

Dion is professor at the Queen Elisabeth Hospital in Birmingham. Dion is a leading colorectal cancer expert at the hospital in Birmingham where he is responsible for the Center for Experimental Cancer Medicine.

ANDREAS BLOCK

Andreas is an experienced oncologist and head of the clinical trials department at the University Medical Center Hamburg-Eppendorf. Andreas has been a board member at the Hamburg University Hospital Ethical Committee since 2015. Andreas has extensive experience in pharmaceutical and cancer research.

MANAGEMENT REPORT

The Board of Directors and the Chief Executive Officer of 2cureX AB (publ), 559128-0077, hereby present the annual report of the parent company and the consolidated accounts for the financial year 2020-01-01 – 2020-12-31.

The result of the year's operations is shown by the following financial accounts which shall be adopted by the Annual General Meeting.

THE OPERATIONS IN GENERAL

2cureX has developed IndiTreat®, a test allowing oncologists to identify the most effective medical treatment for each individual cancer patient. IndiTreat® belongs to the category of Functional Tests, a rapidly emerging field in Personalized Oncology. Patient biopsies are taken at the hospital and shipped to 2cureX central lab in Copenhagen, where we develop hundreds of 3D microtumors that replicate the characteristics of the original tumor. These 3D microtumors are then exposed to the relevant drug panels to identify those to which the tumor responds. IndiTreat® is patent protected in major markets and has CE-IVD mark. The business model is a standard one where 2cureX charges the ordering hospital per test conducted. The price per test is variable, linked to the volume of tests conducted. The parent company is seated in Malmö, Skåne county.

GROUP

The Group includes the wholly owned Danish subsidiary 2cureX A/S. 2cureX A/S has a wholly owned German subsidiary operating as 2cureX GmbH. All operations are conducted through 2cureX A/S and 2cureX GmbH, and the only operational activities of 2cureX AB is to own the subsidiary 2cureX A/S. Apart from what is stated above, 2cureX AB does not have any participations in other companies.

EMPLOYEE STOCK OPTIONS

The Annual General Meeting on 28 May 2018 resolved to establish a Series 2018/2020 and a Series 2018/2021 warrant program for the Group's employees and key personnel. The employee warrants, totaling 360,000 warrants, carry the right to subscribe for newly issued shares in 2cureX AB in the period 28 May 2020 to 28 September 2020 and in the period 1 April 2021 to 28 September 2021, respectively. The warrant programs have been recalculated concerning exercise price and the number of shares each warrant entitles to subscribe for. The recalculation is due to the rights issue performed in 2019.

Each subscription warrant entitles the holder to subscribe for 1.06 share (before recalculation 1.0 share), at a subscription price of SEK 8.40 (before recalculation SEK 8.86) per share. Upon full exercise of the issued warrants, the share capital would increase by 38,160 SEK (before recalculation 36,000 SEK). The employee warrants will be subject to the usual conversion terms in connection with new share issues etc. The extra general meeting on 5 November 2020 resolved to establish a warrant program for 3 new board members. The warrant program totaling 120,000 warrants carry the right to subscribe for newly issued shares in 2cureX AB in the period from 1 October 2023 up to an including 31 December 2023.

Each subscription warrant entitles the holder to subscribe for 1 share, at a subscription price equal to 110 percent of the volume weighted average price at Nasdaq First North Growth Market during a period of ten trading days following the extra general meeting on 5 November 2020. Upon full exercise of the issued warrants, the share capital would increase by 12,000 SEK. The warrants will be subject to the usual conversion terms in connection with new share issues etc. The Group's result for 2020 has been impacted by costs in the amount of 399 KSEK (316 KSEK) in the form of personnel costs.

RESEARCH AND DEVELOPMENT

IndiTreat is currently being clinically validated for three major cancers: colorectal, ovarian and pancreatic cancer. Colorectal cancer will be the primary indication when IndiTreat is launched.

EXPECTED FUTURE DEVELOPMENT

Like all other companies, 2cureX has been impacted by the COVID-19 virus. The true extent of the COVID-19 virus crisis is still unknown, but 2cureX continues to take all measures available to protect its staff and at the same time be able to maintain activity. Considering the Group's robust financial position, the ability to continue as a going concern is deemed to be beyond doubt.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

Q1

- In January, 2cureX's clinical trial in colorectal cancer had successfully enrolled 75% of the patients needed to finalize the trial
- In February, 2cureX signed two distributor agreements
- In February, a core patent on the IndiTreat test previously been granted in Europe, US and Hong Kong was granted in Australia, too

Q2

- 2In April, 2cureX established a clinical partnership with Skåne University Hospital being our first partnership with a major Swedish hospital.
- In April, 2cureX´s German subsidiary and Hahn-Schickard, Freiburg received a grant from BMBF, Germany of 1 MEUR, to support our ongoing strategy towards automation of the IndiTreat® test.
- In May, 2cureX signed a distributor agreement with Lab52 to support commercialization of IndiTreat® in Portugal and Spain.
- In June, 2cureX established a collaboration with Scandion Oncology A/S and Erasmus Medical Centre, Rotterdam, in drug-resistant breast cancer patients. The project is supported by a Eurostars Grant of EUR 800.000.
- In June, 2cureX received the third payment from the EU' Horizon SME-Instrument Program

Q3

- In July, an Extraordinary General Meeting approved to change the composition of the Board of Directors and to issue an authorization to the Board of Directors to increase the company's share capital
- In July, 2cureX expanded its Board of Directors with CEO Michael Lutz (CEO of HepaRegeniX GmbH) and Professor, MD, CSO Nils Brünner (CSO of Scandion Oncology A/S).
- In July, 2cureX completed a heavily oversubscribed Directed Issue of approximately SEK 40 million.
- In September, 2cureX officially launched IndiTreat® at Europe's biggest cancer conference, ESMO (Eur. Soc. Medical Oncology).

Q4

- In October, the last patient was successfully enrolled in the IndiTreat® colorectal cancer clinical trial (TICC).
- In November, 2cureX presented a commercial roadmap regarding the IndiTreat® test for 2021-2023 dependent upon further COVID impact.
- In December 2cureX launched a dedicated ***www.inditreat.com*** website, focusing won product information for patients and treating physicians, and available in five languages (English, Swedish, German, Spanish and Portuguese)

FOR DETAILS OF HIGHLIGHT FOR 2020 SEE ABOVE AND BEGINNING OF 2021 WE HAVE HAD FOLLOWING MAJOR EVENTS:

RESULT AND FINANCIAL POSITION

Net sales in 2020 amounted to 0 KSEK (0 KSEK). The Company had no sales during 2020; all income is attributable to various contributions and public grants.

The result for 2020 totaled -7,320 KSEK (-7,933 KSEK). The result for the period has been impacted by the conduct of clinical trials initiated to validate the IndiTreat® technology. A significant part of the clinical operations is funded by an EU grant named MicroCaT, recognized as Other operating income in the income statement.

The Group's cash and cash equivalents amounted to 58,577 KSEK (33,720 KSEK) as of 31 December 2020. Cash flow in 2020 amounted to 25,513 KSEK (13,961 KSEK). Cash flow from operating activities in 2020 amounted to -11,694 KSEK (7,864 KSEK). The monthly burn rate is approximately -1.7 MSEK, which is in line with the expectations.

The Group's solidity as of 31 December 2020 amounted to 93 percent (74).

Multi-annual overview (KSEK), Group	**2020**	**2019**	**2018**	**2017**	**2016**
Net sales	0	0	0	47	0
Earnings/loss after financial items	-8 591	-9 411	-8 542	-3 995	-2 651
Total assets	63 044	37 841	24 026	22 846	10 080
Equity ratio (%)	93	74	57	89	66
Average number of employees	13	11	9	8	8
Basic and diluted earnings per share (SEK)	-0,54	-0,68	-0,70	-0,37	-0,22

Multi-annual overview (KSEK), Parent Company	**2020**	**2019**	**2018**	**2017** (3 mth)
Net sales	0	0	0	47
Result after financial items	-2 028	-1 917	-11 446	-1 024
Balance sheet total	66 584	30 208	19 878	22 165
Solidity (%)	99,0	99,0	48,6	92,9
Average number of employees	0	0	0	0

SHARES

There is one class of shares in 2cureX AB (publ). The Company's share is listed on Nasdaq First North Growth Market under the ticker "2CUREX". As of 31 December 2020, the number of shares amounted to 14,856,660 (12,420,000). The average number of shares during 2020 amounted to 14,852,683 (11,609,014).

Shareholders	Number of shares	Votes and capital (%)
OT311 ApS	3 778 304	25.4
Försäkringsaktiebolaget Avanza	1 127 299	7,6
Clear Stream Banking S.A.	943 193	6,4
Grith Hagel	619 735	4.2
SVM Verwaltungsgesellschaft mbH	386 000	2.6
NORDNET PENSIONSFÖRSÄKRING AB	374 543	2.5
Other shareholders	7 627 526	51.3
	14 856 600	**100,0**

Development of the share capital	Year	Number of shares	Quota value	Total number of shares	Total share capital
Company formation	2017	8 000 000	0,10	8 000 000	800 000
New share issue	2017	2 350 000	0,10	10 350 000	1 035 000
New share issue	2019	2 070 000	0,10	12 420 000	1 242 000
New share issue	2020	2 440 000	0,10	14 856 600	1 485 660

RISK FACTORS

The Board of Directors decides on the level of risk in the operations, and the decisions are made taking the CEO's proposals into account. The financial risks can primarily be divided into the following categories: market risks (including currency risks, interest rate risks and price risks), credit risks and liquidity risks. The risks that the Group faces are detailed below.

Currency Risks

The Group's revenue mostly comprises of received grants and contributions generated in local currency. This entails that the revenue is recognized in SEK, DKK and EUR. Acquisitions are also denominated in the local currency. The Group is thus not considered to be exposed to any significant currency risks aside from the translation in conjunction with the preparation of the consolidated accounts.

Interest Rate Risks

The Group's interest rate risks are restricted to bank deposits. The interest rate risk is considered to be in balance.

Credit Risks

The Group strives to have counterparties of the highest possible credit standards. The majority of the Group's sales can be carried out with a low level of credit risk.

Liquidity Risks

The Group is addressing its liquidity situation continuously. The Group's financial position is good, and the Board's assessment is that liquidity is sufficient to ensure continued operations. However, future financing needs may arise, and the Board therefore continuously evaluates possible financing opportunities. Liquidity is currently not considered to be a major risk area.

APPROPRIATION OF PROFIT OR LOSS, (SEK)

Proposed appropriations of the Parent Company's result

The following funds are available to the Annual General Meeting:	
Other contributed capital	79 588 774
Retained earnings	-13 164 158
Result for the period	-2 028 146
	64 396 470

The Board of Directors proposes the following distribution:	
To be carried forward	64 396 470
	64 396 470

FINANCIAL OVERVIEW

FINANCIAL OVERVIEW THE GROUP

INCOME STATEMENT –THE GROUP (KSEK)	Note	2020 1/1-31/12	2019 1/1-31/12
Operating income			
Net sales		0	0
Other operating income	3	15 391	11 982
Total operating income		**15 391**	**11 982**
Operating expenses			
Other external expenses		-10 063	-9 376
Personnel costs	4	-12 360	-10 919
Depreciation of tangible fixed assets		-386	-436
Total operating expenses		**-22 809**	**-20 731**
Operating profit		**-7 418**	**-8 749**
Profit/loss from financial items			
Financial expenses and other financial items	7	-1 173	-662
Total financial items		**-1 173**	**-662**
Earnings/loss after financial items		**-8 591**	**-9 411**
Tax on earnings for the year	8	1 271	1 478
Earnings/loss for the year		**-7 320**	**-7 933**
Earnings per share (SEK)		-0,54	-0,68
Average number of shares		13 604 775	11 609 014
No. of shares at the end of the period		14 856 600	12 420 000

BALANCE SHEET – THE GROUP

(KSEK)	Note	31/12-2020	31/12-2019
Assets			
Fixed assets			
Tangible fixed assets			
Capitalized development expenditure	9	0	0
Equipment, tools and fixtures	10	996	1 015
Total fixed assets		**996**	**1 015**
Total fixed assets		**996**	**1 015**
Current assets			
Other receivables		1 115	1 363
Current tax receivable		1 219	1 456
Prepaid expenses and deferred income	16	1 137	287
Cash and bank balances	17	58 577	33 720
Total current assets		**62 048**	**36 826**
Total assets		**63 044**	**37 841**
Equity and liabilities			
Equity	12		
Share capital		1 486	1 242
Other contributed capital		75 388	38 023
Other equity		-10 690	-3 256
The result of the period		-7 320	-7 933
Total equity		**58 864**	**28 076**
Current liabilities			
Accounts payable		967	1 598
Other liabilities		1 050	568
Accrued expenses and deferred income	14	2 163	7 599
Total short-term liabilities		**4 180**	**9 765**
Total equity and liabilities		**63 044**	**37 841**

CASH FLOW – THE GROUP

(KSEK)	Note	2020 1/1-31/12	2019 1/1-31/12
Operating activities			
Operating profit		-7 418	-8 749
Adjusted for non-cash flow items	15	684	865
Interest paid	7	-240	-142
Tax received		1 507	1 318
Cash flow from operating activities before changes in working capital		**-5 467**	**-6 708**
Cash flow from changes in working capital			
Changes in operating receivables		-676	-348
Change in operating liabilities		-5 551	-808
Cash flow from operating activities		**-11 694**	**-7 864**
Investment activities			
Investment in tangible assets		-403	-59
Sale of tangible fixed assets		0	39
Cash flow from investment activities		**-403**	**-20**
Financing activities			
Rights issue		37 610	21 845
Cash flow from financing activities		**37 610**	**21 845**
Cash flow for the year		**25 513**	**13 961**
Cash and cash equivalents at beginning of year		33 720	20 063
Exchange rate differences in cash and cash equivalents		-656	-304
Cash and cash equivalents at end of year	16	**58 577**	**33 720**

CHANGE OF EQUITY – THE GROUP

1/1-2019 – 31/12-2019

(KSEK)	Share capital	Other contributed capital	Other equity	Result of the period	Total
At the beginning of the period (1/1-2019)	**1 035**	**16 385**	**3 465**	**-7 264**	**13 621**
Outline of previous year's results			-7 264	7 264	0
Issue of warrants			316		316
Currency exchange			227		227
Issue of shares	207	24 529			24 736
Translation difference		-2 891			-2 891
The result of the period				-7 933	-7 933
At the end of the period (31/12-2019)	**1 242**	**38 023**	**-3 256**	**-7 933**	**28 076**

CHANGE OF EQUITY – THE GROUP

1/1-2020 – 31/12-2020

(KSEK)	Share capital	Other contributed capital	Other equity	Result of the period	Total
At the beginning of the period (1/1-2020)	**1 242**	**38 023**	**-3 256**	**-7 933**	**28 076**
Outline of previous year's results			-7 933	7 933	0
Rights issue			399		399
Issue costs			100		100
Issue of shares	244	39 873			40 117
Translation difference		-2 508			-2 508
The result of the period				-7 320	-7 302
At the end of the period (31/12-2020)	**1 486**	**75 388**	**-10 690**	**-7 320**	**58 864**

Pioneering products which improve the outcomes of cancer treatment.

FINANCIAL OVERVIEW PARENT COMPANY

INCOME STATEMENT – PARENT COMPANY (KSEK)	Note	**2020** 1/1-31/12	**2019** 1/1-31/12
Operating income			
Net sales		0	0
Total operating income		**0**	**0**
Operating expenses			
Other external expenses	4	-1 834	-1 694
Personnel costs	4	-659	-265
Total operating expenses		**-2 493**	**-1 959**
Operating profit		**-2 493**	**-1 959**
Profit/loss from financial items			
Earnings/loss from associated companies	5	-399	-316
Other financial income and other financial items	6	942	399
Financial expenses and other financial items	7	-78	-41
Total financial items		**465**	**42**
Profit before tax		**-2 028**	**-1 917**
Tax on earnings for the year	8	0	0
Earnings/loss for the year		**-2 028**	**-1 917**

BALANCE SHEET – PARENT COMPANY

(KSEK)	Note	31/12-2020	31/12-2019
Assets			
Fixed assets			
Financial assets			
Investment in subsidiaries	11	5 000	5 000
Receivables from subsidiaries	13	23 318	22 376
Total financial assets		**28 318**	**27 376**
Total fixed assets		**28 318**	**27 376**
Current assets			
Other receivables		146	64
Prepaid expenses and deferred income		159	234
Cash and bank balances	16	37 961	2 534
Total current assets		**38 266**	**2 832**
Total assets		**66 584**	**30 208**

(KSEK)	Note	31/12-2020	31/12-2019
Equity and liabilities			
Equity	12		
Restricted equity			
Share capital		1 486	1 242
Total restricted equity		**1 486**	**1 242**
Non-restricted equity			
Premium fund		79 588	42 223
Balanced result		-13 164	-11 646
Earnings/loss for the year		-2 028	-1 917
Total non-restricted equity		**64 396**	**28 660**
Total equity		**65 882**	**29 902**
Current liabilities			
Accounts payable		84	0
Other liabilities		82	156
Accrued expenses and deferred income	14	536	150
Total short-term liabilities		**702**	**306**
Total equity and liabilities		**66 584**	**30 208**

CASH FLOW STATEMENT – PARENT COMPANY

(KSEK)	Note	2020 1/1-31/12	2019 1/1-31/12
Operating activities			
Operating profit		-2 493	-1 959
Adjusted for non-cash flow items	15	399	316
Interest received		942	399
Interest paid		-78	-41
Cash flow from operating activities before changes in working capital		**-1 230**	**-1 285**
Cash flow from changes in working capital			
Changes in operating receivables		-7	430
Change in operating liabilities		396	-35
Cash flow from operating activities		**-841**	**-890**
Investment activities			
Loan to subsidiary		-1 342	-32 715
Cash flow from investment activities		**-1 342**	**-32 715**
Financing activities			
Rights issue		37 610	21 845
Cash flow from financing activities		**37 610**	**21 845**
Cash flow for the year		35 427	-11 760
Cash and cash equivalents at beginning of year		2 534	14 294
Cash and cash equivalents at end of year	16	**37 961**	**2 534**

CHANGE OF EQUITY – PARENT COMPANY

1/1-2019 – 31/12-2019

(KSEK)	Share capital	Other contributed capital	Other equity	Result of the period	Total
At the beginning of the period (1/1-2019)	**1 035**	**20 585**	**-516**	**-11 446**	**9 658**
Outline of previous year's results			-11 446	11 446	0
Rights issue	207	24 529			24 736
Issue costs		-2 891			-2 891
Issue of warrants			316		316
The result of the period				-1 917	-1 917
At the end of the period (31/12-2019)	**1 242**	**42 223**	**-11 646**	**-1 917**	**29 902**

CHANGE OF EQUITY – PARENT COMPANY

1/1-2020 – 31/12-2020

(KSEK)	Share capital	Other contributed capital	Other equity	Result of the period	Total
At the beginning of the period (1/1-2020)	**1 242**	**42 223**	**-11 646**	**-1 917**	**29 902**
Outline of previous year's results			-1 917	1 917	0
Rights issue	244	39 873			40 117
Issue costs		-2 508			-2 508
Issue of warrants			399		399
The result of the period				-2 028	-2 028
At the end of the period (31/12-2020)	**1 486**	**79 588**	**-13 164**	**-2 028**	**65 882**

ADDITIONAL DISCLOSURES

NOTE 1

ACCOUNTING AND VALUATION POLICIES

The Group and the Parent Company apply the Swedish Annual Accounts Act as well as the Swedish Accounting Standards Board BFNAR 2012:1 annual report and consolidated (K3) in the preparation of financial reports.

Reporting currency

The annual report is prepared in Swedish kronor.
Amounts are stated in KSEK unless specified otherwise.

Consolidated financial statements

The consolidated accounts cover the parent company and those subsidiaries in which the parent company directly or indirectly holds more than 50 percent of the voting rights or otherwise has a controlling influence. The consolidated accounts have been prepared according to the purchase method, which entails that equity in the subsidiaries at the time of acquisition is eliminated in full. The Group's equity thus only includes the portion of equity of each subsidiary that has been added after the acquisition.

If the consolidated cost of acquisition of the subsidiaries' shares exceed the fair value of the net assets according to the acquisition analysis, the difference is recognized as goodwill on consolidation.

Intra-group balances and internal profits are eliminated in full.

The translation of foreign subsidiaries is carried out using the current method. This means that the balance sheets are translated at the exchange rates on the balance sheet date, and the income statements are translated at the average exchange rates during the period. The arising translation differences are recognized directly in equity.

Cash flow statement

The cash flow statement is drawn up using the indirect method, with adjustments made for the effects of non-cash transactions. In addition to cash and bank balances and group account balances, cash equivalents include short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Revenue recognition

The Group's revenue mostly comprises received contributions and grants which are recognized as revenue for the period in which the work associated with the received contributions and grants is performed. When applicable, the revenue can be offset against the cost that the grant or contribution is intended to cover. If the contribution or grant is subject to terms that may lead to a repayment obligation, the recognition of revenue takes place only when it is possible to foresee with a sufficient degree of probability that the contribution or grant will not be recovered.

Internally generated intangible fixed assets

The capitalization model is used for recognizing development expenses, meaning that such expenses are recognized as intangible fixed assets when all of the factors below have been fulfilled:

- It is technically and financially possible to complete the asset
- There is intent and prerequisite to use or sell the asset
- It is likely that the asset will generate revenue or give rise to cost savings
- The expenses can be reliably calculated

The cost of an internally generated intangible asset comprises all directly attributable development expenditure that is required for the asset to be used in the manner intended by the management.

As of the balance sheet date, all internally generated intangible fixed assets are amortized in full.

Tangible fixed assets
Tangible fixed assets are recognized at cost less depreciation according to plan on the basis of the estimated useful life of each asset. The following depreciation periods are applied by the parent company as well as the group companies.

EQUIPMENT, TOOLS, FIXTURES AND FITTINGS: 5 years

Receivables and liabilities in foreign currency
Receivables and liabilities in foreign currency are translated at the exchange rate at the balance sheet date. The difference between cost and the value at the balance sheet date is recognized through the income statement. To the extent that receivables and liabilities in foreign currency are subject to hedging, they are translated using the forward rate.

Impairment losses
If an indication is found of fall in value of an asset, the asset's recoverable amount is determined. If the carrying amount exceeds the recoverable amount, the asset is written down to the lower amount. The recoverable amount is defined as the highest of the fair value and the value in use. The value in use is defined as the present value of the estimated future cash flows that the asset will generate.

Impairment losses are recognized through the income statement.

Income taxes
Reporting of income taxes include current tax and deferred tax. Taxes are reported in the income statement, unless the tax is attributable to an event or transaction that is reported directly in equity. In such events, related tax effects are also recognized in equity. Deferred tax is recognized according to the balance sheet method for all material temporary differences. Temporary differences arise when the book value differs from the tax value of an asset or a liability. Deferred tax liabilities are calculated on the basis of the tax rates that are decided or announced at the balance sheet date, currently 20,6 percent. Deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences can be utilized.

The Group recognizes tax reliefs relating to R&D work in Denmark in accordance with the Danish tax rules.

Financial instruments
Financial assets and liabilities are recognized using the cost model. Long-term receivables and short-term liabilities are measured at amortized cost, which corresponds to the present value of the remaining payments discounted using the effective interest rate calculated at the time of acquisition. Short-term receivables are recognized at cost or net realizable value, whichever is lowest. Current liabilities, which are expected to be settled within 12 months, are measured at the nominal amount.

Borrowings
The Group has no borrowings as of 31 December 2020.

Accounts payable
Accounts payable are payment obligations related to goods or services acquired from suppliers in the course of the operating activities. Accounts payable are classified as short-term liabilities if they fall due for payment within one year.

Warrant program for employees and Board members
The Annual General Meeting on 28 May 2018 resolved to establish a Series 2018/2020 and a Series 2018/2021 warrant program for the Group's employees and board members. The warrants, totaling 360,000 warrants, carry the right to subscribe for newly issued shares in 2cureX AB in the period 28 May 2020 to 28 September 2020 and in the period 1 April 2021 to 28 September 2021, respectively. The warrant programs have been recalculated concerning exercise price and the number of shares each warrant entitles to subscribe for. The recalculation is due to the rights issue performed in 2019.

Each subscription warrant entitles the holder to subscribe for 1.06 share (before recalculation 1.0 share), at a subscription price of SEK 8.40 (before recalculation SEK 8.86) per share. Upon full exercise of the issued warrants, the share capital would increase by 38,160 SEK (before recalculation 36,000 SEK). The warrants will be subject to the usual conversion terms in connection with new share issues etc.

The extra general meeting on 5 November 2020 resolved to establish a warrant program for 3 new board members. The warrant program totaling 120,000 warrants carry the right to subscribe for newly issued shares in 2cureX AB in the period from 1 October 2023 up to an including 31 December 2023.

Each subscription warrant entitles the holder to subscribe for 1 share, at a subscription price equal to 110 percent of the volume weighted average price at Nasdaq First North Growth Market during a period of ten trading days following the extra general meeting on 5 November 2020. Upon full exercise of the issued warrants, the share capital would increase by 12,000 SEK. The warrants will be subject to the usual conversion terms in connection with new share issues etc. The Group's result for 2020 has been impacted by costs in the amount of 399 KSEK (316 KSEK) in the form of personnel costs.

ACCOUNTING POLICIES OF THE PARENT COMPANY

Participations in Group companies

In the parent company, participations in Group companies are initially recognized at cost, which includes any transaction expenses that are directly attributable to the acquisition of the shares. Share issue proceeds and shareholder contributions are added to the acquisition value. If the fair value is lower than the carrying amount, the shares are written down to the fair value if it can be assumed that the fall in value is permanent.

Equity

The parent company's equity is divided into restricted equity, consisting of share capital, and unrestricted equity, consisting of premium reserve, retained earnings and net profit for the year.

NOTE 2

ESTIMATES AND ASSESSMENTS

The preparation of financial reports requires the management to make judgements and estimates that affect the reported amounts of assets, liabilities, income and expenses. The actual outcome may differ from these estimates and assessments. Those estimates and assessments that may lead to a risk of having to materially adjust the carrying amounts of assets and liabilities are primarily the valuations of shares in Group companies.

It is examined every year whether there are any indications that the value of the assets is lower than the recognized value. If such an indication is found, the asset's recoverable amount is determined. This is the highest of the fair value of the asset less costs to sell and the value in use.

DISCLOSURES ON INDIVIDUAL ITEMS

NOTE 3

OTHER OPERATING INCOME

Group	2020	2019
Received contributions	15 391	11 982
Total other operating income	**15 391**	**11 982**

NOTE 4

AVERAGE NUMBER OF EMPLOYEES, SALARIES AND OTHER REMUNERATIONS

	2020			2019		
Average number of employees	Number of employees	Woman	Men	Number of employees	Woman	Men
Parent Company						
Sweden	0	0	0	0	0	0
Subsidiaries						
Denmark	9	4	5	7	3	4
Germany	4	2	2	4	2	2
Group in total	**13**	**6**	**7**	**11**	**5**	**6**
Management						
Board of Directors	6	1	5	5	1	4
CEO and other senior executives	2	0	2	2	0	2

Personnel costs	2020 Salaries and remunerations	2020 Social security costs	2019 Salaries and remunerations	2019 Social security costs
Parent company	617	42	233	31
(of which pension costs)		(0)		(0)
Subsidiaries	11 014	687		569
(of which pension costs)		(0)	9 605	(0)
Group, total		**729**		**600**
(of which pension costs)	**11 631**	**(0)**	**9 838**	**(0)**

The CEO of the parent company is remunerated through subsidiaries.

The following individuals within the Group have been allotted employee warrants free of charge. The warrant program impacts the Group's result for 2020 in the form of personnel costs in the amount of 399 KSEK (335 KSEK), including associated social security contributions.

Jørgen Drejer	*Member of the board, 2cureX AB*	40 000 warrants
Povl-André Bendz	*Member of the board, 2cureX AB*	80 000 warrants
Jürgen Kupper	*Managing Director, 2cureX GmbH*	160 000 warrants
Maarten van der Linden	*Chief Business Officer, 2cureX AS*	80 000 warrants
Michael Lutz	*Member of the board, 2cureX AB*	40 000 warrants
Camilla Huse Bondesson	*Member of the board, 2cureX AB*	40 000 warrants
Nils Brünner	*Member of the board, 2cureX AB*	40 000 warrants

Specification of salaries and other remuneration for board members and the CEO for 2020

	Salary	Benefits	Pension	Total
Povl-André Bendz, Chairman of the Board	200	0	0	**200**
Jörgen Drejer, Member of the board	100	0	0	**100**
Camilla Huse Bondsson, Member of the board	100	0	0	**100**
Nils Brünner, Member of the board	100	0	0	**100**
Michael Lutz, Member of the board	100	0	0	**100**
Ole Thastrup, CEO	1 637	0	0	**1 637**

Specification of salaries and other remuneration for board members and the CEO for 2019

	Salary	Benefits	Pension	Total
Povl-André Bendz, Chairman of the Board	200	0	0	**200**
Jörgen Drejer, Member of the board	100	0	0	**100**
Camilla Huse Bondsson, Member of the board	100	0	0	**100**
Timm Jessen, Member of the board	0	0	0	**0**
Ole Thastrup, CEO	1 609	0	0	**1 609**

NOTE 5

PROFIT FROM PARTICIPATIONS IN GROUP COMPANIES

Parent Company	2020	2019
Impairment loss on holdings associated companies	-399	-316
Total	**-399**	**-316**

NOTE 6

OTHER INTEREST INCOME AND SIMILAR ITEMS

Parent Company	2020	2019
Interest income from associated companies	942	399
Total	**942**	**399**

NOTE 7

INTEREST COSTS AND SIMILAR ITEMS

	Group		Parent Company	
	2020	**2019**	**2020**	**2019**
Interest expenses	-240	-142	-78	-41
Currency exchange differences	-933	-520	0	0
Total	**-1 173**	**-662**	**-78**	**-41**

NOTE 8

TAX ON PROFIT FOR THE YEAR

	Group		Parent Company	
	2020	**2019**	**2020**	**2019**
Current tax	1 271	1 478	0	0
Deferred tax liabilities	0	0	0	0
Theoretical tax				
Reported profit before tax	-8 591	-9 411	-2 028	-1 917
Tax according to the applicable tax rate, 20,6% (21,4%)	1 838	2 014	434	410
Reconciliation of recognized tax				
Non-deductible costs	-2	-7	-85	-67
Effect of foreign tax	-530	-487	-349	-343
Unvalued loss carryforwards	-35	-41	-0	-0
Total	**1 271**	**1 478**	**0**	**0**

Tax loss carryforwards amount to 6,467 KSEK (4,838 KSEK) for the parent company. Tax loss carryforwards for the Group amount to 19,041 KSEK (16,564 KSEK). Deferred tax assets have not been taken into account. Tax loss carryforwards are not limited in time.

NOTE 9

CAPITALIZED DEVELOPMENT EXPENDITURE

Group	**31/12-2020**	**31/12-2019**
Cost, opening balance	4 889	4 816
Disposal/scrapping	-703	0
Translation differences for the year	-138	73
Accumulated cost, closing balance	*4 048*	*4 889*
Amortization, opening balance	-4 889	-4 816
Disposal/scrapping	703	0
Translation differences for the year	138	-73
Accumulated amortization, closing balance	*-4 048*	*-4 889*
Reported value	**0**	**0**

NOTE 10

EQUIPMENT, TOOLS, FIXTURES AND FITTINGS

Group	**31/12-2020**	**31/12-2019**
Cost, opening balance	2 729	2 865
Acquisitions for the year	403	59
Divestments for the year	0	-150
Translation differences for the year	-66	-45
Accumulated cost, closing balance	*3 066*	*2 729*
Depreciation, opening balance	-1 714	-1 481
Depreciation for the year	-386	-436
Divestments for the year		127
Translation differences for the year	30	77
Accumulated depreciation, closing balance	*-2 070*	*-1 714*
Reported value	**996**	**1 015**

NOTE 11

PARTICIPATIONS IN GROUP COMPANIES

Parent Company	31/12-2020	31/12-2019
Cost, opening balance	15 181	14 865
Shareholder contributions	399	316
Accumulated cost, closing balance	*15 580*	*15 181*
Impairment, opening balance	-10 181	-9 865
Impairment for the year	-399	-316
Accumulated impairment, closing balance	*-10 580*	*-10 181*
Reported value	**5 000**	**5 000**

Specifications of subsidiaries	*Reg. no.*	*Registered office*	*Number of shares*	*Share of capital and votes*	*Reported value*
2cureX A/S	29 41 88 88	Copenhagen	500 000	100%	5 000
2cureX GmbH	HRB 137736	Hamburg	25 000	(100%)	–

NOTE 12

EQUITY

There are 14,856,600 shares, each with a quota value of 0.10 SEK.

NOTE 13

RECEIVABLES FROM GROUP COMPANIES

Parent Company	31/12-2020	31/12-2019
Cost, opening balance	22 376	0
Changes for the year	942	22 376
Accumulated cost, closing balance	23 318	22 376
Reported value	**23 318**	**22 376**
Distribution of receivables:		
2cureX A/S	23 318	22 376
2cureX GmbH	0	0

NOTE 14

ACCRUALS AND DEFERRED INCOME

	Group		Parent Company	
	2020	**2019**	**2020**	**2019**
Deferred EU grant	0	6 074	0	0
Personnel-related costs	909	649	0	0
Other accrued expenses	1 254	1 456	536	150
Total	**2 163**	**7 599**	**536**	**150**

NOTE 15

NON-CASH ITEMS

	Group		Parent Company	
	2020	**2019**	**2020**	**2019**
Depreciation	386	436	0	0
Issue of warrants	399	316	399	316
Realized results, tangible fixed assets	0	-20	0	0
Translation differences	-101	133	0	0
Total	**684**	**865**	**399**	**316**

NOTE 16

PREPAYMENTS AND ACCRUED INCOME

	Group		Parent Company	
	2020	**2019**	**2020**	**2019**
EU contribution	932	0	0	0
Prepaid board fees	0	167	0	167
Other prepaid expenses	205	120	159	67
Total	**1 137**	**287**	**159**	**234**

NOTE 17

CASH AND CASH EQUIVALENTS

	Group		Parent Company	
	2020	**2019**	**2020**	**2019**
Bank balances	58 577	33 720	37 961	2 534
Total	**58 577**	**33 720**	**37 961**	**2 534**

NOTE 18

APPROPRIATION OF PROFIT OR LOSS

Proposed appropriations of the company's result (SEK)

The following funds are available to the Annual General Meeting:

Premium reserve	79 588 774
Retained earnings	-13 164 158
Net profit or loss for the year	-2 028 146

The Board of Directors proposes the following distribution:

To be carried forward	64 396 470
	64 396 470

NOTE 19

CONTINGENT LIABILITIES

	31/12-2020	**31/12-2019**
Rental commitment	133	110
Total	**133**	**110**

NOTE 20

RELATED PARTY TRANSACTIONS

The members of the board and other key individuals within the Group have been allotted employee options free of charge. No other related party transactions have occurred except for the remuneration on market conditions of the members of the board and other key individuals within the Group (see Note 4 for more information).

NOTE 21

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

The Group and the parent company are aware of the complicated situation from the continued COVID-19 outbreak and the risk that it may impact the Group and the parent company adversely. The management of the company have assessed that this impact will not have a significant effect on the financial position of the Group or the parent company. The management is continuously monitoring the situation and assess that measures such as conversions and cost savings quickly can be imposed to counteract deteriorating results.

In the time after the reporting period, following significant events have occurred:

- In January 2cureX appointed Fernando Andreu, as new CEO and Kenneth Graabek Johansen, as new CFO.
- In January, the last patient was treated in 2cureX's colorectal cancer clinical trial (TICC). The world's first interventional trial with 3D microtumors as guide for choice of cancer treatment.
- In February, it was announced that 2cureX is a partner and IndiTreat is being used in the international DECIDER ovarian cancer project funded with 15MEUR from EU.
- In March, 2cureX announced that the clinical trial of IndiTreat®-guided treatment of metastatic colorectal cancer has met the primary endpoint.

NOTE 22

PARENT COMPANY

2cureX AB (publ), corporate registration number 559128-0077, is the parent company of a group and prepares consolidated accounts.

2curex AB is seated in Malmö, Skåne county, with the address: c/o Mazars SET Revisionsbyrå AB, Box 159, 261 22 Landskrona, Sweden.

ANNUAL REPORT 2020

Malmö, 4 may, 2021

BOARD OF DIRECTORS

Povl-André Bendz
Chairman of the Board

Jørgen Drejer
Member of the board

Camilla Huse Bondesson
Member of the board

Michael Lutz
Member of the board

Nils Brünner
Member of the board

Fernando Andreu
CEO

Our audit report was submitted on 5 may, 2021
Öhrlings PricewaterhouseCoopers AB

Ole Thastrup
Member of the Board

Cecilia Andrén Dorselius
Chartered Accountant

AUDITOR'S REPORT

To the general meeting of the shareholders of 2cureX AB (publ), corporate identity number 559128-0077

REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

Opinions

We have audited the annual accounts and consolidated accounts of 2cureX AB (publ) for the year 2020. The annual accounts and consolidated accounts of the company are included on pages 23-43 in this document.

In our opinion, the annual accounts and consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company and the group as of 31 December 2020 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

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

Basis for Opinions

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

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

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-22. The Board of Directors and the Managing Director are responsible for this other information.

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

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

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

Responsibilities of the Board of Director's and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggrega-

te, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Revisorsinspektionen's website: ***www.revisorsinspektionen.se/revisornsansvar.*** This description is part of the auditor´s report.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Director's and the Managing Director of 2cureX AB (publ) for the year 2020 and the proposed appropriations of the company's profit or loss.

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

Basis for Opinions

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

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

Responsibilities of the Board of Director's and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group' equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company´s organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

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

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

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

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

A further description of our responsibility for the audit of the administration is available on Revisorsinspektionen's website: ***www.revisorsinspektionen.se/revisornsansvar.*** This description is part of the auditor's report.

Malmö 5 May 2021

Öhrlings PricewaterhouseCoopers AB

Cecilia Andrén Dorselius
Authorized Public Accountant

THE POWER OF PRECISION. FOR EVERY ONCOLOGIST. TODAY.

2CUREX AB (publ)

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