

DexTech Medical



Undervalued Cancer Pipeline Advancing Towards Phase III

DexTech Medical AB ("DexTech" or "the Company") develops innovative drug candidates within urological oncology, targeting indications with significant unmet medical needs and limited treatment options. The lead candidate, OsteoDex, has in a Phase IIb trial in castration-resistant prostate cancer with bone metastases (mCRPC) demonstrated tumor-inhibiting effects, a favorable safety profile, and indications of extended survival. A Phase I trial in multiple myeloma is currently ongoing, with completion expected in Q4-25. With a differentiated mechanism of action, clinical data indicate increased patient benefit, and with a recently granted GMP patent valid until 2045, we assess that DexTech has favorable conditions to attract a licensing partner. We estimate a licensing agreement to be signed in 2026 with a potential deal value of USD 200m. Based on an rNPV model, we derive a present market value of SEK 359m, corresponding to SEK 19.4 per share in a Base scenario.

■ **Unique Mechanism of Action Enables Broad Potential**

OsteoDex distinguishes itself by targeting the tumor micro-environment, specifically the aberrant carbohydrate expression of tumor cells. These carbohydrates contain negatively charged components that attract OsteoDex, which is positively charged (electrostatic interaction). The drug candidate is bifunctional, both killing tumor cells and inhibiting bone-resorbing cells (osteoclasts), thereby counteracting the vicious cycle that drives disease progression.¹ The cancer-specific carbohydrate expression is unique to tumor cells and is considered to explain OsteoDex's favorable safety profile without severe side effects. The mechanism is based on the patented GuaDex platform and has also shown promising results in multiple myeloma and other tumor types, underscoring both the broad unmet patient need and commercial potential.

■ **Clinical Results Strengthen Proof-of-Concept**

In the Phase IIb trial in mCRPC, OsteoDex demonstrated tumor-suppressing effects in the majority of patients, reduced skeletal burden in 35%, and extended median survival in the responder group (27 vs. 14 months), with good tolerability. The ongoing Phase I trial in multiple myeloma is expected to be completed in Q4-25 and has so far confirmed a stable safety profile and indications of sustained efficacy. The results reinforce proof-of-concept and strengthen DexTech's negotiating position in discussions with potential licensing partners.

■ **Undervalued Pipeline Creates Asymmetric Risk/Reward**

Given clinical validation, we assess that the current valuation does not fully reflect the risk-adjusted potential of the pipeline. We estimate that a licensing agreement will be signed in 2026, with a deal value of USD 200m, including USD 20m in upfront payment. The lead candidate OsteoDex (mCRPC) is expected to reach the market in 2029/30 and generate royalty revenues of approx. 10%, risk-adjusted with an LoA of 44% to reflect the probability of success from Phase III. The multiple myeloma indication is expected to add further value, albeit with a more limited contribution given its Phase I status. Through an rNPV model, we derive a present market value of approx. SEK 359m, corresponding to SEK 19.4 per share in the Base scenario.

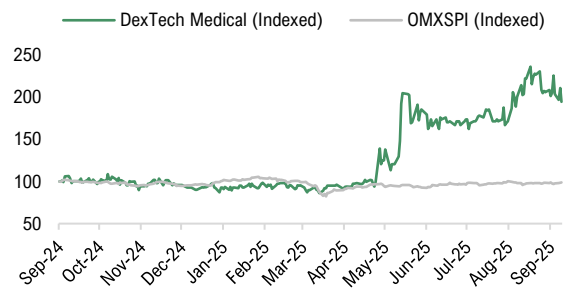
VALUATION RANGE



KEY INFORMATION

Share Price (2025-09-30)	9.1
Shares Outstanding	18 485 857
Market Cap (SEKm)	168.2
Net cash(-)/debt(+) (SEKm)	-14.4
Enterprise Value (SEKm)	153.8
List	Nasdaq First North
Quarterly report	1 2025/262025-11-03

SHARE PRICE DEVELOPMENT



OWNERS (HOLDINGS, 2025-06-30)

INSIDER

Svante Wadman	21.5 %
Anders Holmberg	8.5 %
Sten Nilsson	7.8 %
Donald Ericsson Fastigheter VI AB	6.1 %
Gösta Lundgren	6.0 %

Estimates (SEKm)	25/26E	26/27E	27/28E	28/29E	29/30E	30/31E	31/32E
Risk-adj. revenue (mCRPC)	0.0	0.0	0.0	6.0	6.4	16.7	31.3
Risk-adj. revenue (MM)	0.0	0.0	0.0	0.0	0.0	0.0	0.5
Risk-adj. upfront/milestones	0.0	94.0	0.0	44.9	0.0	0.0	0.0
Total risk-adj. revenue	0.0	94.0	0.0	44.9	6.4	16.7	31.9
OPEX	-10.0	-8.8	-7.0	-6.0	-6.0	-5.0	-5.0
EBIT	-10.0	85.2	-7.0	38.9	62.3	11.7	26.9
P/S	N/A	1.8	N/A	2.7	2.5	10	5.3
EV/S	N/A	1.6	N/A	3.4	2.2	9.2	4.8
EV/EBIT	-15.4	1.8	-22	4	2.3	13.1	3.7

¹The mechanisms described are only schematic, as they are highly complex in reality. For a more detailed description, see p. 7.

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Other

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