Prostatype Genomics

ANNUAL REPORT

2019/2020

ABOUT THE COMPANY

Prostatype Genomics AB manufactures, markets and sells the prognostic gene test Prostatype®. By giving a assessment of the aggressiveness of the prostate cancer, Prostatype® helps clinicians and patients to make correct treatment decisions. Over and under treatment of prostate cancer can be minimized, the quality of life for the patient improved and money can be saved for the health care sector.

VISION

Our vision is that doctors and patients, confronted with diagnosed prostate cancer, have full confidence in their treatment decisions.

MISSION

Prostatype Genomics' mission is to make a difference in prostate cancer patients' lives through the discovery and commercialization of transformative tests to guide treatment decisions. We can thereby increase quality of life and peace-of-mind for patients and simultaneously reduce health care costs. Prostatype Genomics will achieve this by making Prostatype® the global test system of choice for newly diagnosed prostate cancer patients.

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CEO COMMENTS

Fredrik Persson
CEO

Change and flexibility with continued focus as the guiding star

During the financial year 2019-2020, Prostatype Genomics AB took several decisive steps forward in the development of the Company. The Company went through a process of change that was fundamental. The Prostatype Genomics was transformed from a pure R&D operation to a commercially oriented enterprise, and was also listed on Nasdaq First North Stock Exchange in Stockholm during Q4 2020. This transformation has had a positive impact on the Company, while the demands on the organization to continue to deliver the results that the market and shareholders expect naturally have increased.

The ongoing pandemic has put new demands on the operations of the Company. Prostatype Genomics, like most companies in the life science field, has of course been affected by the ongoing pandemic and the restrictions that have been put into place in various countries. Foremost, it has been a challenge to get access to healthcare professionals in a normal way. However, that has also given us the opportunity to focus on several of our other operatively central areas, and I am very proud of the milestones that we have achieved during this challenging time.

Medical breakthroughs are the result of long and patient research, of which Prostatype Genomics is a prime example. Sometimes it takes a long time for the knowledge about new treatments and methods is established within healthcare. What would previously be seen as science fiction is the science of today and the standardized care of tomorrow. Something that has been discussed for a long time is the vision of developing prognostic methods that take the unique circumstances of the individual patient into account. That should no longer be a vision, but a natural demand that the patient can place on the healthcare provider. We are very happy and proud to represent a powerful prognostic tool in the shape of Prostatype®, which is not merely a vision but instead very much a concrete and tangible exhibit of the significance that modern biomarkers hold for patients and healthcare.
Precision medicine is already an integral part of healthcare, both in Sweden and internationally, and there is a large transformation ongoing towards individualized care, treatment, and after-care. Prostatype® plays an important role in this transformation since prostate cancer is the single most common form of cancer among men in the Western world.
At the same time, this represents a challenge to the traditional view of how healthcare and medicine should be organized. This includes everything from the specialization of professions, the design of hospitals, access to advanced diagnostics and prognostics, to national guidelines and healthcare programs.

More and more, what will matter is to match the right patient with the right treatment, and that requires better methods for prognosis in healthcare. Concurrent with the rapid growth in knowledge, advanced prognostic methods will also develop, of which Prostatype® is and will remain a leading component.

Prostatype® is a modern and objective biomarker, taking the unique genetic prerequisites into account. The physician knows that for some patients the old prognostic tools will work to an acceptable l level, while they work less well, or even provide an erroneous prognosis in other cases. There is usually no way for healthcare to know befo- rehand to which in which category the individual patient will be classified, why Prostatype® fills a large and important role in the modernization of treating patients with diagnosed prostate cancer.

Covid-19 and its impact on operations

Since spring 2020, Prostatype Genomics has like the rest of humanity lived in the shadow of the Covid-19 pandemic and its consequences. The pandemic has resulted in certain challenges for the Company, for example it has of course been harder to gain access to healthcare professionals. Likewise, our partners have been affected and it has become obvious that some international commercial partners have been slower than normal in their decision-making processes. Despite all of this, Prostatype Genomics has experienced only limited effects on the Company from the pandemic.
As we all know, for the healthcare systems in most parts of the world the pandemic has led to great hardship and that other care, not least related to cancer patients, has had to be deferred. The lockdowns of society that many countries to a varying degree implemented, have had the effect that many routine examinations have been cancelled. In our discussions with partners in Sweden, the United States, and Europe, we see and hear that a mounting “care backlog” has been accumulated concerning the care for prostate cancer patients. The value that Prostatype® brings to healthcare and the patient has therefore been enhanced in the current situation when we see an end to the pandemic. We are very well aware of the opportunity in front of us, hopefully in the near future.

Market

Prostatype Genomics operates on a global market worth

billions of U.S. dollars. The market grows continuously year-by-year as more patients are diagnosed with prostate cancer. Our market is global, but to reach the goals that we have set we will in a selective and careful manner focus on the key markets that we have identified. Tangible progress has already been made in China and Germany, while the work on other important markets such as the United States, France, Italy and the United Kingdom is ongoing.

A crucial step in our commercialization efforts was taken with the launch of P-score Web Service, PWS, a web-based solution for the calculation of P-score. With PWS, Prostatype Genomics can provide our customers access to our AI-based technology in a fast, simple, and secure way.

Our overarching strategy to reach customers in the key markets that have been identified is to enter into agreements with leading distributors that are specialized in medical device and have an established network of Key Opinion Leaders within urology. As has been already communicated, we are conducting several parallel discussions with potential partners in different geographical markets, both in Europe and the United States. We hope to be able to sign several cooperation agreements during 2021 with central partners foremost in Europe, but also in the United States. The exact timing is somewhat uncertain due to the developments of the Covid-19 pandemic and how quickly countries will open up as a consequence of various vaccination programs.

Studies and Research & Development

On the scientific side we have followed-up the ground-breaking validation study in Malmö with ongoing studies in Uppsala and Taiwan. The latter is especially interesting in that is one of the very few that has been performed on patients with East Asian ethnicity. East Asia is a market with tremendous potential for Prostatype Genomics, and it is very positive that the first step of this study indicates similar results as the study performed in Sweden, namely that around one-third of diagnosed patients are reclassified using the gene analysis that Prostatype® provides. The Company has also during the financial year initiated a pilot study in Mainland China together with our partner Glorious Med, which will further strengthen the position of Prostatype® in East Asia and significantly open opportunities on this fast-growing market.

The ongoing study in Uppsala is very close to completion. In April 2021, Uppsala University Hospital decided to temporarily halt all activities connected to research due to Covid-19, a completely rational and understandable decision given the situation in which the hospital finds itself. This halt will potentially affect the timing of when we can communicate the results of the study, but we are still hoping to be able to present data from the study during Q2 2021, provided that the developments of the pandemic continue to go in the right direction and the stress on the healthcare system subsides.

Future

Prostatype Genomics is well positioned for the future. Our product fills an extraordinarily important need within healthcare and for the patients who have been diagnosed with prostate cancer. The mounting care backlog that has been built up during the pandemic has served to make this need even larger than before. I have had many conversations with patients where Prostatype® has been deployed, and it is very moving and gratifying to hear the stories getting told and see the clinical benefits of our product pertaining to the physician and patient gaining more confidence in the choice of treatment.

Prostatype® has the potential to revolutionize prostate cancer prognostics and we are full of enthusiasm about this opportuni- ty while highly conscious of the hard work ahead. The Company consists of a small number of staff with high competence and long experience from the industry, and we are working on fur- ther recruitments to fill key positions in order to keep delivering on the milestones we have committed to.

Our international expansion is an important priority, and Prostatype Genomics has during the financial year invoiced its first customers in China and Germany, two prioritized key markets. During 2021, we will enter into agreements with several important collaboration partners in Europe, where the selection process that has been described earlier to find the preferred partner in each market is ongoing. We will communicate more information about these matters as soon as agreements have been signed.

Change happens faster than ever today and is one of the constants in our lives. The Board and Management will continue to be quick on our feet to ensure that the organization is constantly operating in an optimal manner so that the shareholders get maximal return on their investment in Prostatype Genomics. The Company's journey has just begun. We remain steadfast on continuing to deliver on our previously communica- ted milestones where our strongest focus remains mainly on two strategic areas: continued commercial development within EMEA and the Unaited States, and continue to strengthen our already strong scientific foundation through complementary validation studies in various markets.
Together with the Board, the staff, partners and of course our shareholders I am with great joy looking forward to leading this Company into the future! I am convinced that the shareholders of Prostatype Genomics share our enthusiasm.

Solna May 17 2021

Fredrik Persson
CEO

ABOUT PROSTATE CANCER AND PROSTATYPE®

Prostatype Genomics AB manufactures, markets and sells the prognostic gene test Prostatype®. By providing an objective assessment of the aggressiveness of the prostate cancer, Prostatype helps the clinician and his PCa-positive patient to confidently make the correct treatment decision.
Viewed globally, prostate cancer is the second most common form of cancer among men, with approximately 1.3 million men diagnosed each year.

Prostate cancer prognosis is difficult; some prostate cancers grows rapidly and spreads quickly, in which case rapid, aggressive and radical treatment is called for, although prostatectomy and radiation cause nerve and tissue damage which can result in impotence and/or incontinence. But in up to 85 % of cases, the cancer grows slowly and active surveillance suffices, perhaps for many years. The decision for radical treatment is in many cases made unnecessarily, resulting in a decreased quality of life for the prostate cancer patient and increased costs for the health care system

Current methods for the diagnosis and assessment of prostate cancer are dependent on visual assessment, and the clinician's experience and interpretation of the case. These sub- jective and qualitative criteria are in many cases not valid for the individual patient's pathology, and as a result a large number of patients are misclassified as to the cancer's aggressiveness, resulting in overtreatment for some and undertreatment for others.

Prostatype® offers a demonstrated significant added clinical value compared to the commonly used markers (PSA, Gleason Score, T-Staging). The result can be available within 8 hours from a local laboratory By using the Prostatype® Test System, over and under treat- ment of prostate cancer can be minimized, the quality of life for the patient improved, and money can be saved for the health care sector.

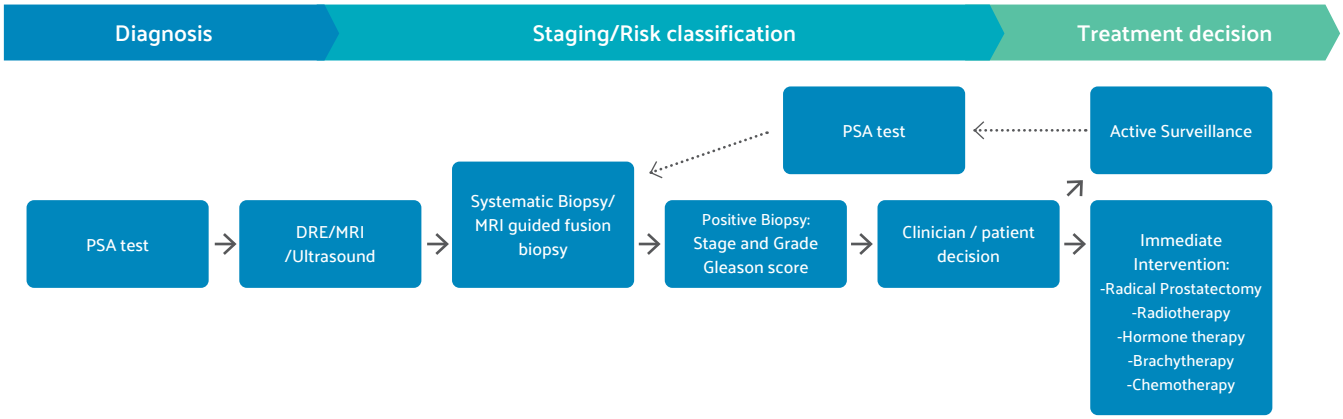
The Prostatype® Test System combines the gene expression information of three stem cell genes, IGFBP3, F3 and VGLL3, with currently used clinical parameters (PSA, Gleason Score, and Tumour Stage).

The qPCR test is performed on the biopsy tissue already obtained at the point of diagnosis, so there is no need for another painful and potentially harmful prostate biopsy procedure. Prostatype® quantifies the RNA expression levels of the three stem cell genes in the patient's tumour tissue, information that existing clinical pathology factors cannot provide. The gene expressions and other clinical parameters are uploaded into the cloudbased algorithm that is linked to a unique patient data base. The algorithm calculates the P-score which provides a measure of cancer aggressiveness, which facilitates the choice of optimal treatment for the patient.

In summary, Prostatype Test provides:
- Decision support in the choice of treatment
- Potential to defer repeated biopsies
- Reduced risk of over/under treatment
- An objective second opinion about treatment options, balancing the subjectivity of Gleason Score and assessment of tumour stage
- Opportunity for improved quality of life by re-classifying approximately 35% of patients
- Significantly reduced healthcare costs

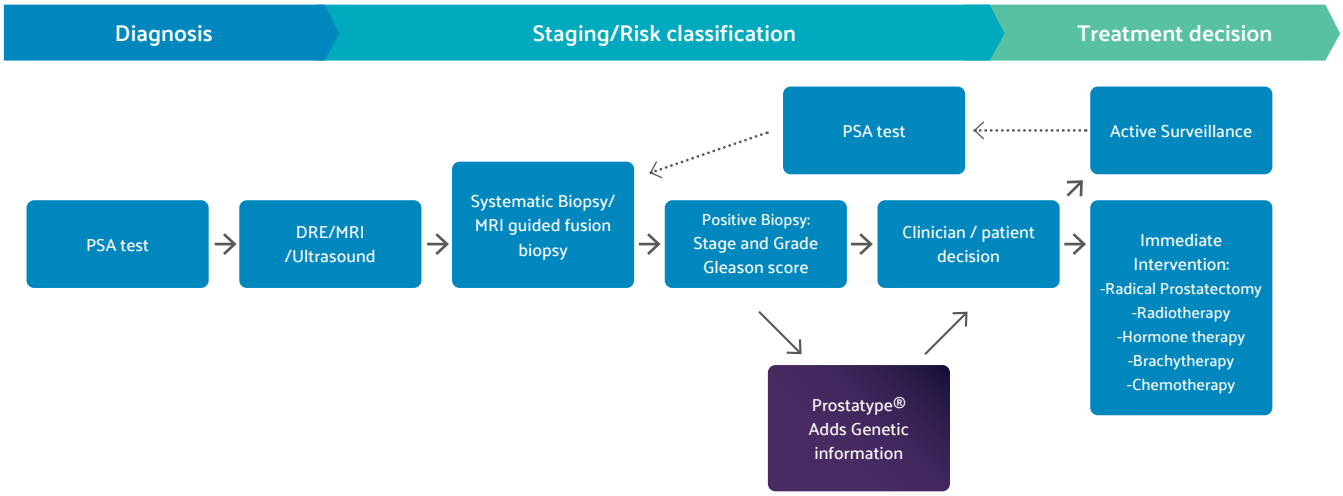
PROSTATE CANCER CLINICAL FLOW CHART

Current pathway



PROSTATE CANCER CLINICAL FLOW CHART (WITH PROSTATYPE®)

Prostatype incorporated



Annual accounts for

Prostatype Genomics AB

556726-0285

The financial year

2019-07-01 - 2020-12-31

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DIRECTORS' REPORT

The Board and the Chief Executive Officer of Prostatyp Genomics AB (the Company was until 2020-07-06 called Chundesll Medicals AB), 556726-0285, situated in Stockholm, is hereby releasing the Annual Report for the financial year 2019-07-01 - 2020-12-31.

General information

The business model of Prostatype Genomics is to develop prognostic methods regarding cancer. The first project is Prostatype®, a product for the classification of prostate can- cer, which is the most common form of cancer among men in many countries, primarily in Western Europe and North America. At present, there are no good methods to determine the aggressiveness of a diagnosed prostate cancer. This lack of information makes the choice of treatment for the individual patient difficult.

Annually, around 10,000 men in Sweden and 500,000 in Europe are diagnosed with prostate cancer. The majority, around 65 percent, have a slow-growing cancer, and there is small risk that the disease will be serious in a tentofifteenyear time horizon. The methods used today for diagnosis and prognosis are serum PSA, assessment of prostate tissue samples using the Gleason Score, and other clinical assessments. These methods are not sufficient to assess the future progression of the tumour in the early stages of the disease for the individual patient. Because the methods used today are uncertain, men with a slow-growing cancer run the risk of being treated with radical therapies, such as prostatectomy and/or radiation, unnecessarily, which often leads to side effects such as urine leakage, impotence, and gastro-intestinal problems, leading in turn to a diminished quality of life for the individual patient. A method that can determine the progression of the tumour in direct relation to the choice of treatment offers the possibility of designing the treatment according to the needs of the individual patient. A classification of patients' prognosis will also reduce healthcare costs, since treatments that require a lot of resources can be limited to the patients whose tumours have a more negative prognosis.

The Company has been granted patents for Prostatype® in Europe, Japan, Hong Kong, Canada, and the United States.

Major shareholders

The largest shareholder in Prostatype Genomics AB is Creathor Ventures with around 23% of the votes. ID Invest AB is the second largest shareholder with around 7,5% of the votes.

Significant events during the financial year

- During the financial year, the Company has received a convertible loan amounting to 4.1 MSEK. The loan was set off in the rights issue that took place during the period. Furthermore, the Company received a bridge loan, amounting to 11.6 MSEK, that was also set off in the rights issue during the period.
- At the extra General Meeting in June 2020, two options programs to management and staff were approved. Per the day of closing for this report, there were a total of 159 871 options that had been subscribed for, of which 41 856 for Members of the Board, that give the right to subscribe to one share per option in August 2023 at an exercise price of 13.51 SEK.
- The Company performed an IPO on First North Growth Market in October. See further in the section Financing
- The Company has taken the necessary measures to reduce the impact of the spread of the new coronavirus, COVID-19, in particular by reducing the risk of infection among the Company's employees and management in various ways. The Company's operations have not been significantly affected by the effects of the virus as of the date of this Annual Report. In actual fact, it is the Company's assessment that the waiting lists that have arisen as a result of COVID-19 will result in an increase in the need for prognostic tests for prostate cancer as it becomes even more important for the health care sector to obtain reliable information about which patients should be treated radically or not. However, there is a risk that employees, consultants, and management may be infected, which could result in a delay in operations, a development that in turn could have a negative impact on the Company's revenue.

Events after the balance day

- In January 2021, the Company announced that the Canadian Intellectual Property Office is intending to grant the Company patent rights for the genetic test Prostatype® in Canada. The patent "Marker genes for prostate cancer classification" is valid until October 2032.
- In March 2021, the Company announced the launch of P-score Web Service (PWS), a web-based solution for the calculation of the Company's patented method Prostatype® Score, P-score.
- In March 2021, the Company announced strong results for Prostatype® from the first step of the validation study in East Asian population that is ongoing in Taiwan.

Result of the year

During the financial year, the Company had a negative profit of 17 408 TKR. The Company was during the period still in the phase of research and development and had not yet commenced the commercialization of the Company's product Prostatype® in a significant way.

Financing

On November 3 2020, the Company was listed on Nasdaq First North Growth Market ("First North"). The period for subscription of shares in the rights issue was closed on October 1. In total, 3

885 320 units (shares with attached warrants) were subscribed. The Company has thereby received gross 37.5 MSEK in equity. Deducting for expenses related to the rights issue as well as set-off of convertibles and bridge loans, the Company received net 31.5 MSEK in equity. The infusion of liquidity amounted to net 15.8 MSEK after deductions for expenses related to the rights issue as well as set-off of convertibles and bridge loans. Furthermore, in February 2022 the Company may receive an additional 42.3 MSEK in equity, before expenses, provided that the attached warrants are exercised to their full extent.

Based on the projections that have been made, the Company will continue to have a negative operating cash flow during 2021 and for the coming two-year period. The Board makes the assessment that the cash of the Company is sufficient for the going concern of the Company during 2021, but if the business plan would be accelerated it could become relevant with additional infusions of capital from the shareholders or other interested parties already during 2021.

Until the point where the Company achieves a positive operating cash flow the Company is dependent on external financing, primarily in the form of equity, in order to execute its business plan. Therefore, the value of the immaterial assets on the balance sheet is also dependent on that the existing plan for future financing comes to fruition.

Risk factors

Market- and business-related risks

Objectives and milestones

There is a risk that Prostatype Genomics' objectives will not be achieved within the time frame set, and that it will take longer than planned to reach the milestones set by the Board of the Company, which entails a risk that Prostatype Genomics' operations will be adversely affected in the form of, for example, less revenue than expected, or a greater need for capital to drive the business forward

Product launch

The Prostatype® Test System has not yet been fully laun- ched on the market, and at the date of this Annual Report the Company has only carried out limited sales efforts in Sweden. As a result, the Company has not generated any significant income attributa- ble to the product. For this reason, it may be difficult to assess the product's sales potential.

Studies

Prostatype Genomics develops and sells medical devices and prognostic markers. Before medical devices and tests can be launched on the market, their performance and safety must be ensured, which has been done for Prostatype Genomics through validation studies. Stu- dies are associated with uncertainty and risk in terms of delays and results. There is a risk that the results of any future studies by Prostatype Genomics will not be satisfactory, and there is a risk that, for safety and/or efficiency reasons, the Compa- ny's future products will not prove to be as good as previous assessments have claimed.

Partners and customers

Prostatype Genomics has initially handled sales to selected urologists, but intends to also sign contracts with appropriate partners for distribution and with major commercial laboratory chains. It is of the utmost importance for the distributor to have extensive experience in the industry and have used this to build up customer contacts in the markets of interest. Given that the Company has not yet launched the Prostatype® Test System on a larger scale and sales began in Sweden in 2019, the Company does not yet have any long-standing, stable customer and partner relationships. All customers are newly established, but familiar with the product area and possess a good understanding of the offering Prostatype provides.

Financial risks

Financing needs and capital

Prostatype Genomics' future plans mean increased costs for the Company. There are plans to launch the Company's product in several more markets over the next three years, including the United States, China, Germany, Spain, Italy, Austria, Switzerland, and Norway. There is a risk that delays in market breakthroughs in new markets will lead to a decline in earnings for the Company. Just as there is a risk that the Company may in the future need to raise additional capital and that any additional capital cannot be raised. There is therefore a risk that development will come to a temporary stop, or that the Company will be forced to operate at a slower pace than desired, which may lead to delayed or non-commercialization and foregone revenue. See also the section "Financing" above.

Legal and regulatory risks

Registration and authorization outside Europe

In order to be able to market and sell medical devices, in certain cases, authorization must be obtained and the devices registered with the relevant authority. Prostatype Genomics' product is CE marked and the Company is authorized to sell the product in Europe. The Company initiated a validation study in Taiwan in 2020 so it could then proceed with the product launch of the Prostatype® Test System on the Asian market. The Board considers there to be a low likelihood of the product documentation not being approved. In the United States, the Company has no ambition to secure FDA approval, instead seeking collaboration with laboratory partners, who already possess so-called CLIA accreditation, which shortens the time to market introduction and reduces the financial risk. The rules and interpretations that apply at present are subject to change in the future, which may affect the Company's ability to comply with different authorities' requirements. Consequently, changes in rules and interpretations, as well as authorizations and registrations being withdrawn, can also constitute future risk factors.

Patents and other intellectual property rights

The Company has applied for and been granted a patent lasting until 2032 in China, Hong Kong, Japan, and Europe (EPO). The Company has a patent in the United States that extends until 2034. Another patent application is pending in Canada. The following general risks are associated with patents and intellectual property rights, including trademarks:

- That the existing and/or future patent portfolio and other intellectual property rights held by the Company will not provide adequate commercial protection.
  That Prostatype Genomics will be forced to defend its patent rights against a competitor, in which case there is a risk of this resulting in significant costs, which may in turn adversely affect the Company's operations, results, and financial position
  That Prostatype Genomics will infringe or allegedly infringe patents held by third parties, or that other actors' patents may limit the ability of one or more of Prostatype Genomics' future partners to freely use the product or production method concerned.
- That disputes concerning patents in the event of negative outcomes of disputes may lead to loss of protection, a ban on continued use of the right concerned, or an obligation to pay damages, or that the costs of a dispute, even in the event of a beneficial outcome for Prostatype Genomics, will be significant.
- That actors with competing activities will take out patents in related areas to Prostatype Genomics' existing patents, resulting in competitors' alternatives achieving the same effect as Prostatype Genomics alternatives.

Individually or collectively, the above points would cause difficulties or delays in the commercialization of future products and thus also difficulties in generating revenue, which may have a negative impact on the Company's revenue and financial performance.

EQUITY

SEK	Share capital	New share issues in progress	Development fund	Share premium reserve	Accumulated profit/loss
Opening balance	1 020 820	640 250	12 835 058	70 602 034	-76 551 680
New share issue	1 072 609	-640 250		42 046 523	
Expenses of the issue				-5 603 362	
Reduction of the share capital	-1 302 217				1 302 217
Option premium				276 579	
Transfer to development fund			3 231 664		-3 231 664
Result for the period					-17 408 222
Closing balance	**791 212**	**0**	**16 066 722**	**107 321 774**	**-95 889 349**

PROPOSED ALLOCATION

The Board of Directors proposes that the accumulated loss of SEK -11 432 425, is accommodated as follows:

	Amounts in SEK
Accumulated loss	28 840 647
Loss of the year	-17 408 222
Total	11 432 425
Carried forward	11 432 425
Total	11 432 425

Regarding the results and position in general, reference is made to the subsequent results, balance sheet and cash flow statement with the associated notes.

INCOME STATEMENT

Amounts in SEK	Note	2019-07-01 2020-12-31	2018-07-01 2019-06-30
Net sales		683 878	74 085
Own work capitalized		3 231 665	3 234 281
Other operating income	3	721 004	-
Total revenue		**4 636 548**	**3 308 366**
Operating expences			
Research and development cost		-2 414 232	-1 246 239
Other external cost	4	-9 834 459	-5 107 036
Staff cost	5	-8 136 244	-4 661 242
Depreciation, amortization and impairment		-149 052	-154 143
Other operating expenses		-16 373	-1 391
Operating profit/loss		**-15 913 812**	**-7 861 685**
Income after financial items			
Interest expenses and similar items		-1 494 411	-684 243
Profit/loss after financial items		**-17 408 222**	**-8 545 928**
Profit or loss before tax		**-17 408 222**	**-8 545 928**
Total profit/loss for the period		**-17 408 222**	**-8 545 928**

BALANCE SHEET

Assets Amounts in SEK	Note	2020-12-31	2019-06-30
Fixed assets			
Intangible assets			
Capitalized development expenditure	6	16 066 722	12 835 058
Patent	7	111 527	223 054
		16 178 249	13 058 112
Property, plant and equipment			
Plant and machinery	8	-	10 744
Equipment and tools	9	28 220	28 806
		28 220	39 550
Total fixed assets		16 206 469	13 097 662
Current assets			
Inventory			
Finished products		366 369	664 000
Advances to suppliers		28 578	-
		394 947	664 000
Current Receivables			
Accounts receivables		336 352	5 000
Other receivables		578 467	752 278
Prepaid expenses and accrued income		284 643	362 765
		1 199 462	1 120 043
Cash and bank		**15 861 788**	**2 692 157**
Total current asstes		**17 456 196**	**4 476 200**
Total assets		**33 662 665**	**17 573 862**

BALANCE SHEET

Equity and liabilities Amounts in SEK	Note	2020-12-31	2019-06-30
Total equity			
Restricted equity			
Share capital		791 212	1 020 820
New share issue under registration		-	640 250
Development fund		16 066 722	12 835 058
		16 857 934	14 496 128
Non-restricted equity			
Share premium reserve		107 321 774	70 602 034
Profit/loss brought forward		-78 481 127	-68 005 752
Net profit/loss for the year		-17 408 222	-8 545 928
		11 432 425	-5 949 646
Total equity		28 290 359	8 546 482
Long-term liabilities			
Convertible loan	11	-	4 985 546
Other debt to credit institutions	12	1 066 667	1 466 667
		1 066 667	6 452 213
Current liabilities			
Debt to credit institutions	13	400 000	400 000
Accounts payable		1 779 007	652 545
Tax liabilities		55 374	61 050
Other current liabilities		552 325	117 674
Accrued liabilites and deferred income	14	1 518 933	1 343 898
		4 305 639	2 575 167
TOTAL EQUITY AND LIABILITES		33 662 665	17 573 862

CASH FLOW STATEMENT

Amounts in TSEK	Note	2019-07-01 2020-12-31	2018-07-01 2019-06-30
Operating activities			
Profit after financial items		-17 408 222	-8 545 928
Adjustments for items not included in cash flow etc		776 184	712 850
Cash flow from operationg activities before changes in working capital		**-16 632 038**	**-7 833 078**
Cash flow from changes in working capital			
Change in inventory		269 053	-64 605
Change in operating receivables		-79 419	4 179
Change in operating liabilities		1 730 472	-1 737 285
Cash flow from current operations		**-14 711 931**	**-9 630 789**
Investment activities			
Acquistion of intangibles		-3 231 664	-3 234 281
Acquisition of fixed assets		-26 195	-26 995
Cash flow from investment activities		**-3 257 859**	**-3 261 276**
Financing activites			
Paid-in option premium		204 165	-
Net issue liquitidy incl. bridge loan		27 877 506	-
Recieved convertible loans		3 457 750	7 585 000
Amortization		-400 000	-209 375
Cash flow from financing activities		**31 139 421**	**7 375 625**
Cash flow for the year		**13 169 631**	**-5 516 440**
Cash and cash equivalents at the beginning of the year		**2 692 157**	**8 208 597**
Cash and cash equivalents at the end of the year		**15 861 788**	**2 692 157**

NOTES

Note 1 Accounting principles

Amounts in TSEK unless otherwise stated

General accounting principles

The annual report has been prepared in accordance with the Annual Accounts Act and the Accounting Standards Board's general guidelines BFNAR 2012:1 Annual and Group Reports (K3).

Valuation principles etc

Assets, provisions and liabilities are valued based on cost unless otherwise stated.

Foreign currency

Monetary entries in foreign currencies are calculated to exchange rates on the balance-sheet day. Non-monetary entries are not recalculated but are reported to the exchange rate at the time of acquisition.

Inventories

Inventories are reported at the lower of cost and net realisable value. This takes the risk of obsolescence into account. The acquisition value is calculated according to the first-in first-out principle.

Employee compensation

The description below give an example of the conditions that may exist. The description of accounting principles must be adapted and revised based on applied plans and conditions.

Compensations to employees after terminated employment

Classification

Plans for compensation after terminated employment are classified as either defined contribution or defined benefit.

For defined contribution, fixed fees are paid to another company, normally an insurance company, and no longer have any obligations to the employee once the fee has been paid. The size of the employee compensation after terminated employment is dependent on the fees that have been paid and the return on capital of the fees.

For defined benefit, the company has an obligation to give the agreed compensations to present and earlier employees. The company substantially bears partly the risk that the compensation payments are higher than expected (actuarial risk), partly the risk that dividends on the assets deviate from those expected (investment risk). There is also an investment risk if the assets are transferred to another company.

Defined contribution plans

Fees for defined contribution plans are reported as an expense. Unpaid fees are reported as a liability.

Defined benefit plans

The company has chosen to apply the simplified regulations found in BFNAR 2012:1.

Example

Plans for which pension payments have been paid are reported as defined contributions, which means the contributions are carried as an expense in the Profit/Loss Account.

Example

In cases where pension obligations have been safeguarded by transferring means to a pension fund, an allocation is reported when the fund's net wealth valued to market value is less than the obligation. In cases where the fund's wealth exceeds the obligation, no asset is reported.

Example

In cases where the pension obligations are solely dependent on the value of an owned asset, the pension obligation is reported as an allocation corresponding to the reported value of the asset.

Example

In cases where defined benefit pension plans are non-insured, the pension liability is reported to the sum obtained from/specify name of independent company providing the information.

Miscellaneous long-term compensation to employees

Liabilities with respect to long-term compensations to employees are reported to current value of the obligation on the balance sheet day.

Compensations for dismissal

Compensations for dismissal, provided the compensation does not give the company future financial benefits, are reported only as a liability and cost when the company has a legal or informal obligation to either

a) dismiss an employee or group of employees before the normal point in time for cessation of the employment, or
b) pay compensation for dismissal by making an offer for voluntary redundancy.

Compensations for dismissal are reported only when the company has a detailed plan for dismissals and does not have any realistic possibility of annulling the plan.

Tax

Tax on profits for the year in the Profit and Loss Account comprises current tax and deferred tax. Current tax is tax on income for the present financial year relating to taxable income and part of previous financial years' tax on income that has not yet been reported. Deferred tax is tax on income for taxable profits relating to future financial years as a result of past transactions or events.
Deferred tax liability is reported for all taxable temporary differences but not for temporary differences arising from first reporting of goodwill. Deferred tax assets are reported for deductible temporary differences and for the possibility of using fiscal deficit deductions in future. The valuation is based on how the reported value for the corresponding asset or liability

is expected to be recovered or settled. The sums are based on the tax rates and fiscal regulations that are approved prior to the balance sheet day and have not been present-value computed.

Revenue

The influx of financial benefits that the company received or will receive for its own account is reported as income. Revenues are valued as the fair value of that received or to be received with deduction for discounts offered.

Sale of goods

Revenue from the sale of goods is recognized when the following criteria are met:

- The financial benefits that are coupled to the transaction will probably accrue to the company,
- The revenue can be calculated in a reliable manner,
- The company has transferred the significant risks and benefits coupled to the owner of the goods to the purchaser,
- The company has no longer such a commitment to the running management that is usually connected with the owner and does not either exert any real control over the sold goods, and
- The expenses that have arisen or are expected to arise as a result of the transaction can be calculated in a reliable manner.

Public contributions

A public contribution that is not associated with the demand for future performance is reported as an income when the conditions for the contribution are met. A public contribution that is associated with the demand for future performance is reported as an income when the requirements for the performance are fulfilled. If the contribution has been received before the conditions for reporting it as an income have been met, the contribution is reported as a liability.

Intangible assets

Research and development expenses

The activation model is applied in case of capitalizing the expenses for development. This means that expenses incurred during the development phase are reported as an asset when all of the following conditions are met:

- It is technically possible to complete the intangible fixed asset so that it can be used or sold.
- It is intended to complete the intangible fixed asset and use or sell it.
- Prerequisites exist to use or sell the intangible fixed asset.
- It is probable that the intangible fixed asset will generate future financial benefits.
- Necessary and adequate technical, financial and other resources exist to finalise the development and to use or sell the intangible fixed asset.
- The expenses relating to the intangible fixed asset can be calculated in a reliable manner.

The acquisition value of an internally generated intangible fixed asset consists of all directly attributable expenses (eg materials and salaries).
Depreciation will begin when the product is completed.

Other intangible fixed assets

Other intangible assets acquired by the company are recorded at acquisition value less accumulated depreciation and write-downs. Depreciation is made on a straight-line basis over the estimated useful life.

Costs for patents
External costs for patent applications in new markets are capitalized if the company is deemed to have a financial benefit from the patent in the relevant market. Amortization of capitalized patent costs will take place during the useful life from the time this starts. If the asset on the balance sheet date has a lower value than the book value, the asset is written down to this lower value.

Tangible assets

Tangible fixed assets are reported to the cost of acquisition less accumulated depreciation and impairment [Or with addition for revaluations.] The acquisition value includes, in addition to the acquisition price, even expenses that are directly related to the acquisition.

Depreciation

Depreciation is linear over the estimated lifetime of the asset as this reflects the expected consumption of the asset's future financial benefit. Depreciation is reported as a cost in the Profit and Loss Account..

Tangible assets	*Year*
Machinery and other technical equipment	5
Equipment, tools and installations	5

Leasing

Leasing fees in accordance with operational leasing agreements, including the initial payment but excluding expenses for services such as insurance and maintenance, are reported as a cost linearly over the leasing period.

Note 2 Estimations and assessments

Prostatype Genomics AB makes estimates and assessments about the future. The estimates for accounting purposes that result from these will, by definition, rarely correspond to the actual result. The estimates and assumptions that involve a significant risk of significant adjustments in the reported values of assets and liabilities in the coming years are dealt with in outline below.

Deficit deduction
Prostatype Genomics AB's loss carryforward has not been valued and is not reported as a deferred tax asset. These loss carryforwards are valued only when the company has established a profit level which the company management with certainty considers will lead to tax surpluses.

Intangible assets

Management continuously assesses the value of the company's intangible fixed assets. Important assumptions for assessing whether a possible impairment need has arisen primarily consist of an assessment of future sales growth and operating margin. If an indication of impairment arises, an impairment test is performed. An impairment test has been established, which does not indicate a need for impairment.

Note 3 Other operating income

	2019-07-01- 2020-12-31	2018-07-01- 2019-06-30
EIT healt contribution	367 200	-
Layoffs contribution	401 324	-
Other	-47 520	-
Total	**721 004**	**-**

Note 4 Remuneration and expenses of auditors

Grant Thornton Sweden AB Anders Meyer	2019-07-01- 2020-12-31	2018-07-01- 2019-06-30
Audit assignments	367 200	186 906
Other assignments	307 649	23 508
Total	**703 054**	**210 414**

Auditing assignments refer to statutory audits of the annual accounts and the accounts, as well as the administration of the board and the managing director and auditing and other audits conducted in accordance with agreement or agreement. This includes other duties that it is the responsibility of the company's auditor to perform as well as advice or other assistance caused by observations in such review or performance of such other duties.

Note 5 Employees and personnel costs

Average number of employees	2019-07-01- 2020-12-31	2018-07-01- 2019-06-30
Total	**5**	**6**

Salaries and other remunerations distributed between board members etc. and other employees	2019-07-01- 2020-12-31	2018-07-01- 2019-06-30
Salaries and other remunerations, the Board of directors and CEO	1 558 726	1 170 206
of which bonuses etc.	4 358 265	2 074 291
Salaries and other remunerations, Employees	1 884 557	1 208 514
(Of which pension costs)	542 522	321 250
Total	**7 801 548**	**4 453 011**

Reporting of gender distribution in the company managements	2020-12-31	2019-06-30
Proportion of women	40 %	0 %
Andel Proportion of men	60 %	100 %
Proportion of women among other senior executives	0 %	0 %
Proportion of men among other senior executives	100 %	100 %

Note 6 Capitalised expenditure for development work and similar

Accumulated cost of acquisitions	2020-12-31	2019-06-30
- At beginning of year	12 835 058	9 600 777
- Internally developed assets	3 231 664	3 234 281
At the end of the year	16 066 722	12 835 058
Carrying amount at year-end	**16 066 722**	**12 835 058**

Note 7 Concessions, patents, licences, trademarks and similar rights

Accumulated cost of acquisitions	2020-12-31	2019-06-30
- At beginning of year	371 756	371 756
At the end of the year	371 756	371 756
Accumulated depreciation		
- At beginning of year	-148 702	-74 351
- Depreciation for the year	-111 527	-74 351
At the end of the year	-260 229	-148 702
Carrying amount at year-end	**111 527**	**223 054**

Note 8 Machinery and other technical equipment

Accumulated cost of acquisitions	2020-12-31	2019-06-30
- At beginning of year	487 990	487 990
At the end of the year	487 990	487 990
Accumulated depreciation		
- At the beginning of year	-477 246	-439 812
- Depreciation for the year	-10 744	-37 434
At the end of the year	-487 990	-477 246
Carrying amount at year-end	**-**	**10 744**

Note 9 Equipment, tools and installations

Accumulated cost of acquisitions	2020-12-31	2019-06-30
- At the beginning of year	218 453	191 458
- New acquisitions	26 195	26 995
	244 648	218 453
Accumulated depreciation		
- At the beginning of year	-189 647	-147 289
- Depreciation for the year	-26 781	-42 358
	-216 428	-189 647
Carrying amount at year-end	**28 220**	**28 806**

Note 10 Number of shares and quota value

Class of shares	2020-12-31	2019-06-30
Number of shares	13 186 870	102 082

Note 11 Convertible loans

	2020-12-31	2019-06-30
Convertible loan	-	4 985 546
	-	**4 985 546**

The convertible loans have been settled during the financial year at a set time in accordance with the agreements.

Note 12 Long-term liabilities

Liabilities that fall due more than one year after the balance-sheet day	2020-12-31	2019-06-30
Growth loan, Almi	1 066 667	1 466 667
	1 066 667	**1 466 667**

Note 13 Short-term liabilities

Liabilities that fall due within one year after the balance-sheet day:	2020-12-31	2019-06-30
Project loan, Almi	400 000	400 000
	400 000	**400 000**

Note 14 Accruals and prepaid income

	2020-12-31	2019-06-30
Accrued holiday pay	710 624	372 683
Accrued Bonus	328 550	192 500
Estimated accrued social security contributions	223 278	177 581
Accrued board members fees including social security contributions	59 795	484 939
Other interim debts	196 686	116 195
	1 518 933	**1 343 898**

Note 15 Pledged assets and contingent liabilities

Securities pledged	2020-12-31	2019-06-30
For own liabilities and provisions		
Chattel mortgages	3 500 000	3 500 000
Assets with ownership reservation	109 733	109 733
Total pledged assets	**3 609 733**	**3 609 733**

Contingent liabilities
According to the Board's assessment, the company has no contingent liabilities.

Note 16 Transactions with related parties

During the period from July 1 2019 to December 31 2029, except for what is detailed below, no related party transactionshave taken place.

Several of the bridge loans that were made during 2020 constitute related party transactions. The related parties who made bridge loans to Prostatype Genomics in connection to the bridge financing are presented below.

		Loan amount	Set off as rights issue	Remaining
JDS Invest AB*	Board member	1 222 211	- 1 222 211	0
Creathor Venture Fund III (SCSp) SICAR**	Major shareholder	1 196 243	-1 196 243	0
Creathor Venture Fund III Parallel (SCSp) SICAR**	Major shareholder	362 555	-362 555	0
AJ Lundberg Kapitalförvaltning	Chairman of the Board	183 331	-183 331	0
Fredrik Persson	Company CEO	54 455	-54 455	0

*JDS Invest AB is 100 percent owned by Board Member Håkan Englund.
**Board Member Karlheinz Schmelig is an Advisor for Creathor Venture and is its representative on the Board of Prostatype Genomics.
***AJ Lundberg Kapitalförvaltning AB is 100 percent owned by Chairman of the Board Anders Lundberg.

There is also a consulting agreement with JDS Invest AB, which is 100 percent owned by Board Member Håkan Englund, regarding services related to prognosis of prostate cancer through business development from both scientific and corporate perspectives. In total 75 000 SEK been invoiced within the scope of this agreement during the period from July 1 2019 to December 31 2020.

The Company has during the financial year procured services for in total 1 284 438 SEK from the company SecureAppbox AB, which is a supplier of web-based solutions for P-score (see the section "Significant events after the end of the financial year. Håkan Englund, Member of the Board of Prostatype Genomics AB, is the Chairman of the Board of SecureAppbox. Håkan Englund has not taken part in the procurement process for these services.

During the period there have also been royalty payments of 9 032 SEK made to a former Board Member.

Transactions with related parties have been performed on market terms.

Note 17 Significant events after the end of the financial year

In January 2021, the Company was able to announce that the Canadian Patent Office (Canadian Intellectual Property Office) intends to grant the Company a patent for the genetic test Prostatype® in Canada. The Marker genes for prostate cancer classification patent is valid until October 2032.

In March 2021, the Company announced the launch of P-score Web Service (PWS), a web-based solution used to calculate the Company's patented method Prostatype Score, P-score.

In March 2021, the Company announced good results for Prostatype® from the first stage of validation study in Asian population from the ongoing study in Taiwan.

Note 18 Allocation of company's profit or loss

	Amount in SEK
The Board of Directors proposes the accumulated funds accordingly	
Accumulated loss	28 840 647
loss of the year	-17 408 222
Total	11 432 425
Carried forward	11 432 425
Total	11 432 425

SENIOR MANAGEMENT

Fredrik Persson

Managing Director

About: B.Sc in Business Administration and Economics, University of Lund. 30 years of international life science industry experience in leading positions with focus on operational and organizational growth.

Holdings in the Company: 109715 shares, 17615 warrants TO 1 and 25000 warrants 2020/2023A

Michael af Winklerfelt

CFO & COO

About: MBA in Finance & Strategy Concentration, Emory University, USA. M.Sc in Economics and Business Administration, Stockholm School of Economics. Wide-ranging international experience working for multinationals in US, Europe and China.

Holdings in the Company: 0 shares, 0 warrants TO 1 and 37206 warrants 2020/2023A

Lidi Xu

CTO

About: Ph.D. in Medical Science, Karolinska Institute, Stockholm, Sweden, M.Sc., Stockholm University, B.Sc in Bioscience, Beijing University, China. Senior Medical Scientist specialized in oncology.10 years of experience in research, project design and implementation. In-depth knowledge in the cancer biology field

Holdings in the Company: 3672 shares, 3672 warrants TO 1 and 18603 warrants 2020/2023A

George Skinner

VP Commercial operations

About: BSc from University of Toronto (Canada), followed by over 4 decades of international experience in the medical device and in vitro diagnostics fields in North America and Europe. Beginning with Boehringer Mannheim GmbH (now Roche Diagnostics), George's career encompasses senior global lead management positions and successful new product launches at Byk-Sangtec GmbH (now DiaSorin), Gen-Probe Inc. (now Hologic), MDx Health, and many others, and includes launching and marketing numerous urological oncology biomarkers such as PSA, BTA stat, PCA3, and SelectMDx. George resides in Germany.

Dilruba Ahmed

Quality Control Manager

About: Ph.D. in Medical Science (cancer biology), M.Sc. in infectious disease control, Karolinska Institute, Stockholm, Sweden. Bachelor of Pharmacy and M.Sc. in Pharmaceutical Science. 10 years of experience from research and pharmaceutical product management experience

Holdings in the Company: 1836 shares, 1836 warrants TO 1 and 18603 warrants 2020/2023A

BOARD OF DIRECTORS

Anders Lundberg

Chairman of the board

About: M.Sc. Mechanical Engineering, KTH, Stockholm, Sweden. Founder and CEO of a telecom equipment supplier recognized by the market and later brought to a successful IPO in 2011 on the MID-CAP list OMX-Nasdaq [TRMO:Transmode]

Other assignments: Member of the board of AJ Lundberg Kapitalförvaltning AB and Modern Car Group International AB. Deputy member of the board of Sollentunahem AB, Sollentunafastigheter 1 AB, Sollentunafastigheter 2 AB and Sollentunafastigheter 3 AB.

Holdings in the Company: Via AJ Lundberg Kapitalförvaltning AB 289109 shares, 67259 warrants TO 1 and 0 warrants 2020/2023B

Independent in relation to Prostatype Genomics, its senior management and major shareholders.

Dr. Michael Häggman

Board memeber

About: M.D, Ph.D. associate professor, department of Urology, Akademiska University Hospital, Uppsala, Sweden. More than 30 years of experience practicing as urologist with an extensive national and international network among urologists.

Other assignments: General partner in Skrotum Kommanditbolag and deputy member of the board of Kardinaltalet AB.

Holdings in the Company: 14817 shares, 5767 warrants TO 1 and 0 warrants 2020/2023B

Independent in relation to Prostatype Genomics, its senior management and major shareholders.

Karlheinz Schmelig

Board memeber

About: BSc in Business Administration, DHBW Mannheim, Germany. MBA, Kelley School of Business, Bloomington, USA.Co-Founder and General Managing partner, Creathor Venture Management GmbH, Germany.

Other assignments: Senior Advisor to German Ministry of Research and Development, member of the Issuer Markets Advisory Committee of Deutsche Börse and former member of the Invest Europe Venture Council. Experienced in all aspects of scaling companies into global technology and industry leaders across various healthcare subsectors.

Holdings in the Company: Via Creathor Ventures 3079911 shares, 443561 warrants TO 1 and 0 warrants 2020/2023B

Independent in relation to Prostatype Genomics and its senior management. Dependent in relation to major shareholders.

Christoph Petry

Board memeber

About: Doctoral Thesis, Max-Planck Institute for Medical Research, Heidelberg, Germany. M.Sc in Chemistry, University of Erlangen, Germany. Previously founder, Managing Director and CEO of Sividon Diagnostics and Head of Siemens Healthcare Diagnostics, Molecular Research Germany as well as 10 years of experience from various management positions at Bayer.

Other assignments: Managing Director m2p-labs GmbH I Microbioreactors, Germany

Holdings in the Company: 0 shares, 0 warrants TO 1 and 41856 warrants 2020/2023B

Independent in relation to Prostatype Genomics, its senior management and major shareholders.

Håkan Englund

Board memeber

About: Various courses in economics and chemistry from Uppsala University, Sweden. Courses in polymer technology at Royal Institute of Technology in Stockholm, Sweden. CEO and owner, JDS Invest. More than 30 years of operational and investment experience from life science and health care industry with focus on commercialization and business development. Håkan has held several leading management positions at Pharmacia Biotech and Phadia and has during his career developed extensive national and international relevant networks.

Other assignments: Chairman of the Board, SecureAppBox, member of the board, Immuneed, member of the board Antrad Medical, deputy board director Ultimovax (Norway), member of the board GlycoBond. Board member Stockholm/Uppsala Chamber of Commerce.

Holdings in the Company: Via JDS Invest AB 707605 shares, 276655 warrants TO 1 and 0 warrants 2020/2023B

Independent in relation to Prostatype Genomics, its senior management and major shareholders.

SIGNATURES

Stockholm on 2021

Anders Lundberg
Chairman of the Board

Fredrik Persson
Managing Director

Michael Häggman
Board member

Christoph Petry
Board member

Karlheinz Schmelig
Board member

Håkan Englund
Board member

Our Audit Report was submitted on 2021

Grant Thornton Sweden AB

Anders Meyer
Authorized public accountant

AUDITOR'S REPORT

To the general meeting of the shareholders of
Prostatype Genomics AB
Corporate identity number 556726-0285

Report on the annual accounts

Opinions

We have audited the annual accounts of Prostatype Genomics AB for the financial year 2019-07-01 – 2020-12-31. The annual accounts of the company are included on pages 9-24 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of Prostatype Genomics AB 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.

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

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 Prostatype Genomics AB 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

This document also contains other information than the annual accounts and is found on pages 1-8. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual 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, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual 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 Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual 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 that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the Board of Directors and the Managing Director are responsible for the assessment of the company'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 not applied if decision has been taken to discontinue the operations.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts. We also draw a conclusion, based on the audit evidence obtained, as to

whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts, we have also audited the administration of the Board of Directors and the Managing Director of Prostatype Genomics AB for the financial year 2019-07-01 – 2020-12-31 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 Directors 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 Prostatype Genomics AB 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 Directors 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 type of operations, size and risks place on the size of the company's 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 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.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

Stockholm May 17, 2021
Grant Thornton Sweden AB

Anders Meyer
Authorized Public Accountant