Press release
Cyxone AB (publ)
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23 April 2018

Cyxone receives notice of patent approval for immunosuppressant treatment with cyclotide T20K

Cyxone announced today that the European Patent Office (EPO), has issued its formal intention to approve the company's patent application regarding the company's use of cyclotides as immunosuppressive drugs. The approval will strengthen the company's patent portfolio and ensures the protection of the candidate T20K, which demonstrates beneficial pharmacological effect in preclinical studies against autoimmune diseases, such as multiple sclerosis (MS).

Cyxone focuses on developing drugs that inhibit key processes in the body's cells that are typically associated with various immune-related disorders. One of the lead projects, the cyclotide-based drug candidate T20K, is in the preclinical stage with the intention of initiating studies in humans this year for the treatment of the autoimmune disease multiple sclerosis (MS). The patent application now being approved by the European Patent Office, EPO, means that Cyxone will now own the exclusive right to use the cyclotide T20K as an immunosuppressive drug for the treatment of autoimmune diseases in Europe. In addition to treatment, the patent also covers prophylactic, preventative, treatment of autoimmune diseases and immune cell-mediated inflammation, the latter involving the immune cell being a lymphocyte which is a type of white blood cell contained in the adaptive immune system. Anyone in Europe with an interest in using cyclotides within the scope of the patent will, after the approval, have to negotiate rights with Cyxone in order to avoid committing patent infringement.

"A strong patent protection can be a significant component in discussions with potential partners or investors, which is why we have a strategy to secure patents in those countries that are considered to be the most important markets for us. Of the estimated 2.5 million people who suffer from multiple sclerosis globally, there are approximately 700,000 in Europe[1], which makes this a big market," said Kjell G. Stenberg, CEO of Cyxone. "We, furthermore, consider that strong patent protection is a necessary building block as more external parties are now involved when we intend to begin clinical studies in humans later this year. This approval also reduces uncertainties about the length of the patent protection, which is usually a crucial factor for the drug candidate's value in licensing negotiations."

The European patent document has number EP2793923 and provides protection for the use of cyclotides as immunosuppressive drugs in Europe. The patent approval will ensure that Cyxone has a product protection until 2032, corresponding to 20 years, calculated from the date of filing of the patent application on 21 December 2012. In accordance with the European patent rules, under special conditions, there is also the possibility to apply for an extended patent protection, called Supplementary Protection Certificate, in the individual countries of the European Economic Area after a market approval has been obtained. Cyxone intends to apply for equivalent patent protection in key markets in the future.

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Reference: 1. Multiple Sclerosis International Federation. Atlas of MS. *Beräknad projektering baserad på 2008 och 2013 års trend.* 2013.

Contact
Cyxone AB (publ)
Kjell G. Stenberg, CEO
Tel: +46 (0) 723 816 168
Email: kjell.g.stenberg@cyxone.com
Adelgatan 21
221 22 Malmö
Sweden
www.cyxone.com

This is information that Cyxone AB is required to publish under the EU Market Abuse Directive. The information was provided under the auspices of the above contact person for publication on 23 April 2018.

Forward-looking statement
This press release contains forward-looking statements that constitute subjective estimates and forecasts about the future. Assessments about the future are only valid on the date they are made and are, by their very nature, similar to research and development activities in biotechnology area, associated with risk and uncertainty. In light of this, actual outcomes may differ substantially from what is described in this press release.

About Cyxone
Cyxone AB is a clinical stage biotech company with a portfolio of immunomodulating drugs for the treatment of autoimmune diseases such as multiple sclerosis (MS) and rheumatoid arthritis (RA). The company's drug portfolio is based on two technological pillars in the form of oral molecules and cyclotide-based drugs that inhibit key processes in the body's cells that are typically associated with various immune-related disorders. Cyxone's technologies have the potential to address the current lack of effective and safe treatments for autoimmune diseases by developing new medicines that can improve the quality of life for patients affected by these diseases. The company has two drug candidates, T20K for MS in a preclinical program and Rabeximod for RA in clinical phase 2 program. Cyxone's Certified Adviser on the Nasdaq First North is Erik Penser Bank, +46 (0)8 4638000.
www.cyxone.com