



Press Release
19 May 2020

Carbiotix streamlines clinical study plan to reduce risk and reach profitability sooner

Carbiotix AB (publ) ("Carbiotix") has, as previously announced, the intention to launch medical food containing AXOS. The launch is estimated to H2 2021 in the US to then initiate clinical trials during H1 2022 regarding IBD (CBX111) and Hyperammonemia (CBX121) to reach a brand new market for its prebiotic products for gastric health. This approach gives the company the opportunity to take a large and natural step in the development of future medicines. In order to further streamline the regulatory plan, and to significantly reduce the risk in future studies, the company has decided to postpone planned pre-clinical and clinical studies for the candidates IBD (CBX111) and Hyperammonemia (CBX121), as well as the study on neuroinflammation. The company has also decided not to do animal studies in preclinical development.

Kristofer Cook, CEO for Carbiotix, comments

"Updating our pre-clinical and clinical study plan is perfectly logical given our recent announcement regarding the launch of a medical food during 2021, which is a pure form of our corn fiber extract containing AXOS produced in the same process through a higher dosing of enzyme. By first launching a medical food in each disease area, in combination with our diagnostic platform, we will gain critical knowledge about key bacteria that are missing in patients. This knowledge will accelerate the development of a therapeutic candidate and significantly reduce the risk of failure in clinical studies by having a more efficacious therapeutic. Moreover, we will be able to amplify this effect by using our medical food as a co-treatment which can be dose optimized. An example of this is our recently announced study with Lund University to use our medical food as a type-2 diabetes co-treatment with metformin. This strategy will also allow us to reach market three years earlier with a medical food that has margins similar to a therapeutic, quickly develop new applications of this medical food to manage different disease areas via new studies, and build co-treatment partnerships with drug companies to bring our medical food to market. Overall this strategy will allow us to reach profitability much sooner, use sales proceeds from the sale of prebiotics and medical foods to finance therapeutic development and clinical studies, at the same time as reducing the risk of failure and potential negative press along the way."

This is information that Carbiotix AB is obliged to make public according to the EU Market Abuse Regulation (MAR). The information was made publicly available by the company's contact person set out below on 19 May 2020.

Forward-looking statements

This communication contains forward-looking statements, consisting of subjective assumptions and forecasts for future scenarios. Predictions for the future only apply as of the date they are made and are, by their nature, as is research and development work in the biotechnology segment, associated with risk and uncertainty. With this in mind, the actual outcome may deviate significantly from the scenarios as described in this press release.

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Carbiotix AB (CRBX) (www.carbiotix.com) is an award-winning biotechnology company pioneering microbiome healthcare through a range of cost-effective gut health testing services and a portfolio of microbiome modulators covering prebiotic ingredients, medical foods and therapeutics.