Modus Therapeutics sums up the significant progress on key milestones during 2021, including IPO on First North Stockholm

Stockholm, Sweden – January 14th 2022: Modus Therapeutics AB, a company developing innovative treatments for patients with high unmet medical needs, sums up its significant progress towards its business goals for 2021, which primarily aimed to advance sevuparin to clinical development as a "first-in-class" drug candidate in the treatment for sepsis and septic shock.

"This has been a transformative year for Modus," commented Modus Therapeutics' CEO John Öhd. "We're thrilled to see our new strategy for sevuparin in sepsis/septic shock already starting to pay off, as we transitioned from concept to Phase 1b clinical development in the space of just 9 months from the time the new strategy was announced. The oversubscription of our IPO on First North has been further validation of how promising this direction is for sevuparin, and we would like to thank our shareholders for their continued support as we look forward to an even more productive 2022."

In March 2021 Modus announced its updated strategy for its proprietary drug sevuparin, focused on developing the proprietary drug as a potential treatment for sepsis/septic shock and other severe inflammatory complications, and based on research indicating that sevuparin can counteract septic inflammation both in vivo in mice, and in vitro in human cells.

Modus has in the meantime since the IPO participated in several online live sessions where the development of sevuparin has been discussed, including BioStock's Life Science Summit 2021, Småbolagspodden and Aktier Live Sessions.

There are currently no approved treatments for patients with sepsis. As a result, it is one of the costliest conditions to treat in the hospital care setting. In 2019, US in-patient care costs for patients with sepsis were estimated to amount to $23 billion. The most severe type of sepsis, septic shock, is a leading cause of death in intensive care units worldwide, with mortality rates typically exceeding 30%.

Sevuparin is a clinical stage, innovative proprietary polysaccharide drug with a multimodal mechanism of action, including anti-inflammatory, anti-adhesive and anti-aggregate effects. It acts by interfering with the harmful agents generated by white blood cells during systemic inflammation.

To support sevuparin's clinical development in sepsis, the Company successfully listed for trading on the Nasdaq First North Growth Market in July 2021. The proceeds from the oversubscribed IPO will help fund two clinical studies for the drug – a Phase 1b LPS provocation study, and a Phase II study in patients with sepsis.

The Phase 1b study began in December and will evaluate the effects of sevuparin on the symptoms of healthy volunteer participants who have been injected with the bacterial toxin lipopolysaccharide (LPS) in the skin (local inflammation) and blood (systemic inflammation). Provocation with LPS is a well-established model used to characterize the early stages of septic inflammation by provoking measurable symptoms. The study will also evaluate the safety profile of sevuparin when used in combination with standard prophylactic, blood-thinning heparin.

This study has the potential to provide important information about dose levels and biomarkers for the Phase 2 study, which is planned to start in Q3/Q4 2022 and will evaluate sevuparin in patients with sepsis in comparison to the current standard of care which includes antibiotics and surgery.

The proceeds from the IPO also contributes to Modus being able to continue to seek and establish partnerships in external collaborations.

Modus announced one such collaboration with Imperial College London in June. The collaboration will research the effect of sevuparin in patients with severe malaria, where the parasitic infection causes a systemic inflammation syndrome that shares similarities with sepsis. Sevuparin has already shown promising effects on the malaria parasite in patients with uncomplicated malaria and in human samples.

The company also made several key appointments over 2021. In March, Claes Lindblad was appointed as Chief Financial Officer, bringing to Modus Therapeutics over 20 years of pharmaceutical and medtech experience in a range of sales and marketing, operational and financial roles. He was previously the CFO of OssDsign, a Swedish medtech company that offers novel regenerative implants for improved healing of bone defects.

In September, Modus appointed three key Scientific Advisors who will support the company's future development strategy for sevuparin – Professor Eddie Weitzberg, Professor Lennart Lindbom and Professor Mats Wahlgren, all of whom are leaders in their fields and work at the Karolinska Institutet where the science behind sevuparin was first developed.

Claes Lindblad, CFO of Modus Therapeutics, added: "With a growing team, a successful IPO and clinical studies already under way, Modus is well prepared for a successful 2022 as it takes the next key steps in sevuparin's development. Sepsis/septic shock is one of the world's most pressing and costly healthcare problems, and we remain focused on delivering the first approved treatment for the patients unfortunately suffering from these dangerous conditions."

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About Modus Therapeutics and sevuparin

Modus Therapeutics is a Swedish biotechnology company headquartered in Stockholm that develops sevuparin with a focus on diseases with a high unmet medical need. The company's focus in the near future is to develop sevuparin for patients with sepsis / septic shock, which is a serious and often fatal condition. Modus Therapeutics is listed on the Nasdaq First North Growth market ("MODTX"). More information is available at www.modustx.com

Sevuparin is a clinical stage, innovative proprietary polysaccharide drug with a multimodal mechanism of action, including anti-inflammatory, anti-adhesive and anti-aggregate effects. Sevuparin is a heparinoid with markedly attenuated anti-coagulation features that allows severalfold higher doses to be given, compared to regular heparinoids, without the associated risk for bleeding side-effects. Two routes of administration of sevuparin are currently being tested – an IV formulation for in-patient administration and a subcutaneous formulation that allows ambulatory and home care administration.