

CINCLUS PHARMA HAS CARRIED OUT A SUCCESSFUL PRIVATE PLACEMENT OF APPROXIMATELY SEK 240 MILLION

Cinclus Pharma Holding AB (the “Company” or “Cinclus Pharma”), a biopharmaceutical company focused on the development of a novel treatment for gastroesophageal reflux disease (“GERD”), has completed a private placement of approximately SEK 240 million (the “Private Placement”). The purpose of the Private Placement is to raise capital to be used to accelerate the Company’s commercialization strategy and to broaden the shareholder base. The Private Placement was oversubscribed and a number of Swedish and international institutional investors, including certain existing shareholders, participated in the transaction. Among those, Trill Impact (lead investor), Eir Ventures I AB, Irrus Investments Nominee Limited, Fjärde AP-fonden and Linc AB.

“Our long-term goal is to reach a market leading position for our P-CAB linaprazan glurate. The proceeds will help accelerate our road to approval and commercialization. We are thankful for the support from current and new shareholders, and excited to further strengthen our investor base,” said Christer Ahlberg, CEO of Cinclus Pharma.

“We see this as a great example of a company where commercial opportunity and impact go hand in hand. Trill Impact is excited to collaborate with the Cinclus team and its strong shareholder base, including AP4 and Linc, to help bring this product to patients worldwide”, said Nina Rawal, Trill Impact Partner.

The Board of Directors of Cinclus Pharma has, based on the authorization to issue shares granted by the extraordinary general meeting on 19 April 2022, resolved on a private placement of approximately SEK 240 million. Among the investors were Trill Impact, Eir Ventures I AB, Irrus Investments Nominee Limited, Fjärde AP-fonden and Linc AB. In connection with the Private Placement, Nina Rawal from Trill Impact, has been elected to the Board of Directors.

The Company intends to use the net proceeds from the Private Placement to strengthen its financial position and continue to execute on the Company’s commercialization strategy. This includes:

- Clinical studies – additional phase III studies for a new indication which will secure additional data exclusivity in US
- Non-clinical studies – long-term tox study to prepare for market approval
- Clinical pharmacology work – studies that indicate how the drug behaves in the body
- CMC work
- Other general corporate purposes

Advisers:

Carnegie Investment Bank AB (publ) acted as Financial Adviser and Sole Bookrunner in connection with the Private Placement. Advokatfirman Vinge KB acted as legal adviser to the Company in connection with the Private Placement.

About Trill

Impact Trill Impact (www.trillimpact.com) is a pioneering Impact House with more than EUR 1 billion in assets under management across multiple investment strategies. Trill Impact aims to be a force for positive change and realize the vision of delivering real returns and lasting impact.

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About Cinclus Pharma and its lead candidate drug linaprazan glurate (former X842)

Cinclus Pharma Holding AB is a clinical stage pharma company developing small molecules for the treatment of gastric acid related diseases. Its drug candidate linaprazan glurate represents a novel class of drugs, Potassium Competitive Acid Blocker (P-CAB), and is a fast-acting regulator of intragastric pH by a different mechanism of action than PPIs. The beneficial safety and pharmacokinetic properties of linaprazan glurate have been documented in phase I studies. The Phase 2 study is ongoing in Europe and the US. Linaprazan glurate is a prodrug of the P-CAB linaprazan, developed originally by AstraZeneca. Linaprazan has been evaluated in 23 phase I, and two phase II studies in a total of approximately 2,500 subjects. Linaprazan glurate is being developed for treatment of severe Gastroesophageal reflux disease (GERD) and has the potential to heal esophageal injuries and alleviate GERD symptoms more effectively than current pharmaceutical therapies including PPIs.

Based on epidemiological data, the estimated size of this target population is 18.5 million and carries a Blockbuster potential (estimated sales exceeding USD 1 bn). The Company's management team has extensive experience from the pharmaceutical industry with special focus on the GI pharmaceutical area with experience from AstraZeneca and Novartis. For more information www.cincluspharma.com

About GERD

Gastroesophageal reflux disease (GERD) is a digestive disease that affects the lower esophageal sphincter (LES), the ring of muscle between the esophagus and stomach, causing retrograde flow of gastric content into the esophagus. This leads to erosions, acid regurgitations and heart burn. About 175 million people of the adult population in North America and Europe suffer from reflux disease. The global acid reflux market is dominated by proton-pump inhibitors (PPIs). On average 5-10% of eGERD Grades A and B and approximately 30% of patients with eGERD1) Grades C and D are unhealed after eight weeks on PPIs, and 78% of all GERD patients experience nocturnal symptoms despite PPIs - resulting in quality-of-life issues. More than 20% of all GERD patients take PPIs twice daily to overcome the incomplete symptom relief or supplement their treatment with over the counter-remedies. Despite frequent off-label prescription of high dosage PPIs, many patients still suffer from poor symptom control indicating a clear need for better drugs to treat severe GERD.

1) Erosive GERD

Attachments

Cinclus Pharma has carried out a successful private placement of approximately SEK 240 million