

# CombiGene Initiates Measures to Extend Liquidity Horizon by Sharpening Strategic Focus on Gene Therapy, Prioritizing Pipeline Assets, and Implementing a Cost Reduction Program

**CombiGene AB (publ) ("CombiGene", "the Company") announces today that it intends to sharpen its strategic focus on the development and commercialization of transformative gene therapies in areas with significant unmet medical needs. To enable CombiGene to deliver on this strategy under current market conditions, the Company has conducted a strategic evaluation and prioritization of its pipeline assets and decided to terminate the CG01 epilepsy program while implementing a cost reduction program to extend the liquidity horizon. These measures are expected to result in net savings of approximately SEK 57 million by Q2 2026.**

The Company's portfolio of assets currently includes CG01 for the treatment of treatment-resistant focal epilepsy, as well as its COZY program targeting the PICK1-receptor for potential treatment of chronic pain, which is being developed in collaboration with the Danish biotechnology company Zyneyro.

After conducting a strategic evaluation of its portfolio, the Company announces today its intention to focus all its R&D investments on the COZY program, with a strong emphasis on its gene therapy asset in line with the Company's corporate strategy. This decision is based on an assessment of the entirety of the preclinical data generated as part of the CG01 program (including data from the collaboration with Spark Therapeutics and CombiGene's internally generated data) and the COZY program. The decision is also based on the likelihood of technical and commercial success for each asset, the Company's IP portfolio and competitive situation, a comprehensive evaluation of and interactions with many potential strategic partners, and a broader assessment of the dynamics in the advanced therapies market. However, CombiGene will continue to explore all opportunities for out-licensing and commercialization of its existing assets and new potential pipeline assets, while ensuring that the current cash position lasts at least until the second quarter of 2026.

"The fact that we are now ending the preclinical development of our epilepsy project is a decision based on a balanced assessment of biomedical results, patent situation, capital needs, and the competitive situation associated with market opportunities. We will opportunistically seek potential strategic collaborations, but we no longer see this project as a high priority in our operations. We want to use our existing cash to increase the company's value as effectively as possible. We believe we can do this by focusing on what we consider to be CombiGene's absolute core competence," says Peter Ekolind, CEO.

In line with this sharpening of the strategic focus, CombiGene has also initiated a cost reduction program that will lead to a reduction in the number of employees and external consultants by 45% and a reduction in investments in core business projects. The liquidity effect is estimated to amount to approximately SEK 57 million by Q2 2026. As a consequence of this strategic shift, the

board has also decided to return and terminate the license for epilepsy products for dogs and cats issued to the wholly owned subsidiary Panion Animal Health AB. The value of the item "shares in subsidiaries" in the parent company is simultaneously written down by SEK 14 million. This write-down has no group effect. In the group, the goodwill value regarding CG01 is written down by 11 million SEK.

To ensure continued strategic alignment with the Company's shareholders, the board intends to convene an extraordinary general meeting in the near future.

COZY02 is a project aimed at developing a radically new treatment for severe chronic pain. More information about pain and the COZY program can be found on the company's [website](#).

## Contacts

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## About CombiGene

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CombiGene's vision is to provide patients affected by severe diseases with the prospect of a better life through gene therapy and other forms of advanced treatments.

Our business has three focus areas: sourcing of new and promising assets, development of these assets to proof of concept under our management and expertise, and outlicensing of the assets to a strategic partner for continued development and commercialization. Revenue is achieved through milestone payments and royalties.

The company is public and listed on the Swedish marketplace Nasdaq First North Growth Market and the company's Certified Advisor is Västra Hamnen Corporate Finance AB.

Sign up [here](#) to subscribe to Ingeneious News, a newsletter from CombiGene that contains general news and information that is deemed not to have a significant impact on the share price. Ingeneious News is also available at [combigene.com](http://combigene.com).

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