

Press Release 14 December 2016

IBT adds new indication for Gastroschisis-Related Intestinal Dysfunction

Infant Bacterial Therapeutics AB (publ) (“IBT”), a pharmaceutical company that develops drugs that meet the medical needs of premature infants, is in the early planning stages of developing a drug to treat gastroschisis-related intestinal dysfunction (“GRID”) using its live bacterial technology based on *Lactobacillus reuteri*.

GRID is a direct consequence of gastroschisis, a rare, life-threatening and debilitating birth abnormality in late preterm infants where the infant is born with externalized intestines. Infants suffering from GRID have a greatly increased risk of sepsis and liver cholestasis. GRID represents an area of significant unmet medical need with no definitive treatment available. Therefore, post-operative management of gastroschisis is largely aimed at overcoming the significant morbidity related to the reduction in gut motility and consequent feeding intolerance necessitating the prolonged requirement for parenteral nutrition. It is common for neonates born with gastroschisis to have typically an extended hospital stay of 1-5 months thereby causing significant burden to the healthcare system.

Based on *Lactobacillus reuteri*’s known anti-pathogen and anti-inflammatory effects as well as effects on gut motility, and building on its knowledge from necrotizing enterocolitis (“NEC”), IBT believes *Lactobacillus reuteri* will have significant benefits in the treatment of GRID.

About Infant Bacterial Therapeutics AB

Infant Bacterial Therapeutics AB (publ) (“IBT”) is a pharmaceutical company with a vision to develop drugs influencing the infant microbiome, and thereby prevent or treat rare diseases affecting premature infants. Currently, IBT’s lead clinical programme is focused on developing the drug candidate, IBP-9414, using *Lactobacillus reuteri* to prevent necrotizing enterocolitis (“NEC”), a fatal disease that afflicts premature infants. IBT is listed on Nasdaq First North with Erik Penser Bank as Certified Adviser.

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