Press release August 18, 2021, 11.00 a.m. CET

Cinclus Pharma announces the first patient randomized in the Phase II study for X842 in GERD.

Stockholm, Sweden: ***Cinclus Pharma Holding AB ("Cinclus Pharma"*), a biopharmaceutical company focused on the development of *a novel treatment for severe gastroesophageal reflux disease ("GERD"), today announced that the first patient has been randomized in the Phase II dose ranging study for its lead candidate drug X842.***

This is a randomized double-blind, double dummy, active comparator-controlled dose-finding study. The study will be conducted in the USA and in seven countries in Europe at approximately 60 sites. The primary objective of the study is to support dose selection of X842, for planned Phase III studies, through assessment of healing of erosive esophagitis. The study will also evaluate the safety and tolerability of X842, as well as symptom response during and after treatment.

The study is conducted in collaboration with a leading global biopharmaceutical services company. The objective is to have top line results from the study in 2022.

" This is an important milestone for Cinclus Pharma, as we move forward the development of X842, following promising Phase I results" stated Christer Ahlberg, CEO of Cinclus."X842 is a novel and exciting product candidate, with great potential to address the unmet medical needs of patients with severe GERD and has the potential to become a new standard of care to treat these patients globally", he concluded.

For additional information, please contact:

Christer Ahlberg, CEO
Phone: +46 70 675 33 30
e-mail: Christer.ahlberg@cinclusphar ma.com

Peter Unge, CMO
Phone: +46 70 576 37 80
e-mail: peter@cinclusphar ma.com

Andrew Thompson, Business Development
Phone: +44 7990 639371
e-mail: andrew@cinclusphar ma.com

About Cinclus Pharma and its lead candidate drug X842

Cinclus Pharma AB is a clinical stage pharma company developing small molecules for the treatment of gastric acid related diseases. Its drug candidate X842 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 X842 have been documented in phase I studies. The Phase 2 study is ongoing in Europe and the US. X842 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. X842 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 management 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.cinclusphar ma.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 eGERD 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.