

Carbiotix to start planning of CarbiAXOS production expansion in Bjuv

Carbiotix (publ) ("Carbiotix" or "Company") announces today that the Company will start planning for an expansion of its CarbiAXOS production site in Bjuv, Sweden. Following the completion of the 10-ton production line and planned startup at the end of April, Carbiotix will begin the planning of a 50-ton production line in the second quarter. Pending a final decision by the Carbiotix Board, the installation of this production line is slated for the third and fourth quarter of 2022. Carbiotix has also plans to add up to an additional 100 tons of production capacity at the current site during 2023 and 2024 depending on customer demand. Like the 10-ton production line, the 50-ton production line will be financed through a leasing agreement to limit capital expenditures in the short term. The current expansion plans are a direct response to the recent sales agreement with FibreHigh AB and the qualified interest from potential customers in the US for the CarbiAXOS nutraceutical ingredient.

Kristofer Cook, CEO of Carbiotix, comments

"I am happy to announce that Carbiotix has decided to start planning for an expansion of its CarbiAXOS production line in Bjuv, Sweden in the second quarter. Given the clear demand we see from the market it is important to ensure that we have a production capacity in place to meet this demand. Since the installation of additional production capacity takes time, it is important that we start this process early. This holds true for our production ambitions in Sweden but also abroad. Pending a final decision from the Carbiotix Board, we should have an additional 50 tons of production capacity in place by the end of the year, with an additional 100 tons that could be added during 2023 and 2024 at our first site in Bjuv if we see a continued growth in demand. We will also start the planning of much larger CarbiAXOS production sites in Sweden and abroad at the beginning of 2023.

As with our first 10-ton production line we have tried to finance expansion activities through leasing agreements to limit capital expenditures in the short term. This is also the rationale behind our strategy to work through joint venture financing structures for large scale expansion in Sweden and abroad. Although we will continue to monitor and forecast market demand in CarbiAXOS going forward, it is exciting to see tangible progress with the signing of a sales agreement with FibreHigh AB and the confirmed interest from a list of qualified leads. It is thus even more important that we have the CarbiAXOS production capacity in place to meet this demand."

Forward-looking statements

This communication contains forward-looking statements, consisting of subjective assumptions and forecasts for future scenarios. Predictions for the future only apply as of the date they are made and are, by their nature, as is research and development work in the biotechnology segment, associated with risk and uncertainty. With this in mind, the actual outcome may deviate significantly from the scenarios as described in this press release.

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Carbiotix AB (CRBX) (www.carbiotix.com) is an award-winning biotechnology company pioneering microbiome healthcare through a portfolio of microbiome modulators covering prebiotic ingredients, medical foods, and therapeutics, along with cost-effective gut health testing services.