

Carbiotix launches NutraCycle – a new upcycling service for food & beverage producers

Carbiotix (publ) ("Carbiotix" or the "Company") announces today that the Company has launched a new upcycling service for food & beverage producers, named NutraCycle. This new service leverages key process and product knowledge gained from the development of novel prebiotics such as CarbiAXOS that is derived from various food & beverage side stream products. It opens the door for Carbiotix to get exposure and generate value from the largest segment of the prebiotics industry; food and beverage applications. Carbiotix will immediately ramp up both marketing and sales activities targeting both large and small food & beverage producers interested in extracting more value from their side stream products.

Erik Deaner, CEO of Carbiotix, comments:

"I am thrilled to announce the launch of NutraCycle, Carbiotix's new upcycling service for food & beverage producers. The decision to launch NutraCycle comes as a natural progression, driven by its evident benefits for food & beverage companies, Carbiotix and society in general. The upcycling of side stream products refers to the conversion of products that are typically considered waste or sold as animal feed into higher value feed, food, nutraceutical and cosmetic ingredients. For example, upcycling oat fiber from non-dairy oat milk production into CarbiAXOS.

The benefits for food & beverage companies are twofold. Firstly, it is a relatively low cost and low risk approach to generating new revenue streams and achieving higher pricing power for existing products. Secondly, it is an opportunity to upcycle side stream products into high value prebiotics that can be used to fortify existing products, develop new products, and be sold as an ingredient, as well increase the relative protein content and value of residuals. Carbiotix will provide support with regards to process design, operation and optimization, product development, the sale of ingredients and residuals, scientific validation and regulations, and financing solutions through partners if needed.

The benefits for Carbiotix are also multi-fold. Firstly, Carbiotix will have access to the largest segment of the now over 7 billion Euro prebiotics industry, namely; food and beverage related applications, through a competitive royalty structure based on the prebiotic product produced [\(1\)](#). Secondly, the financial risks for Carbiotix will be much lower as the Company will not need to deploy cap-ex thus allowing for quicker expansion. Thirdly, the Company will have access to a diversity of new and complementary prebiotic ingredients for direct sales that will improve the competitiveness of the CarbiAXOS ingredient portfolio for nutraceutical, cosmetic or adjuvant applications. Lastly, Carbiotix will be able to fully leverage the knowledge, development eco-system and infrastructure we have built up at lab-scale, pilot scale and through our technology and contract manufacturing partners.

From a societal perspective, the benefits are primarily twofold. Firstly, the NutraCycle service is a more efficient upcycling model from an economic, logistics and environmental standpoint as it is distributed and focused at the source of the side stream product and user of the upcycled ingredient. Secondly, the service will naturally lead to the prebiotic fortification of more existing and new food & beverage products, thus exposing more people to these products and hopefully leading to a healthier society.

I look forward to accelerate marketing and sales activities for NutraCycle, aiming to attract both large and small food & beverage producers interested in maximizing the value from their side stream products.

Press Release
March 5, 2024

This is information that Carbiotix AB is obliged to make public according to the EU Market Abuse Regulation (MAR). The information was made publicly available by the Company's contact person set out below on 5 March 2024.

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.

For further information:

Carbiotix AB
Erik Deaner, CEO
Tel: +46 (0)738 67 30 85
E-mail: erik.deaner@carbiotix.com

Carbiotix AB (CRBX) (www.carbiotix.com) is an award-winning biotechnology company pioneering microbiome healthcare through a portfolio of prebiotic modulators and diagnostic testing services.