AIBIOS Completes JPY ¥770 Million Financing Round to Advance Its Drug Discovery Programs for Immunological Disorders

AIBIOS K.K. (AIBIOS), headquartered Tokyo, JAPAN, announces today the completion of its JPY ¥770 million financing round. This round was led by SBI Investment Co., Ltd., along with participation from Beyond Next Ventures Inc. and Axil Capital Partners LLP, both of whom are current shareholders of AIBIOS. The proceeds of the funding will be used to advance the company's current preclinical pipeline and to strengthen its intellectual property estate.

AlBIOS is a pre-clinical stage drug discovery & development company that focuses on developing new drugs to treat various immunological disorders. Since the company's establishment in 2015, AIBIOS has recognized the gap between the patients' needs and the currently available treatments in the autoimmune disease space and therefore has focused its R&D efforts to overcome this gap. AIBIOS has built its drug discovery capabilities through collaborations with Okayama University and Keio University in Japan. These research collaborations led to the discovery of a series of small molecules with novel mechanisms of action that can suppress excessive inflammation and balance the immune system to treat various immune system-related chronic inflammatory diseases.

The company's most advanced small molecule drug candidate, AIB301, is showing promising data in pre-clinical disease models so far to be able to balance the immune system in the gastrointestinal (GI) tract. AIB301 is being developed globally for the treatment of inflammatory bowel diseases (IBD). IBD is a serious disease with inflammation in the GI tract. Symptoms of IBD includes diarrhea and abdominal pain, both of which are difficult to treat. Moreover, recent reports suggest that IBD could further develop into cancers. AIBIOS's approach of balancing the immune system instead of suppressing it could potentially enable AIB301 to be used as a sustainable long-term treatment for IBD. AIBIOS is also developing biomarkers to facilitate the upcoming clinical development program of AIB301.

AIBIOS also plans to use the funding to expand its discovery programs from GI to other disease areas including immuno-oncology, respiratory, and the central nervous system. For this purpose, AIBIOS has established a research collaboration with the Institute of Genetic Disease Control at Hokkaido University in Japan to explore the neuronal network between the gut and the brain through the brain-gut axis. This collaboration has led to the discovery of a new "Gateway Reflex," in which immune cells invade blood vessels in the brain, causing microinflammation. The microinflammation of the vascular region could lead to a higher risk of GI and cardiac dysfunction. It is also known that this mechanism is related to chronic stress. AIBIOS is developing novel therapeutic agents based on these findings to treat neurodegenerative diseases including multiple sclerosis and Parkinson Diseases, along with "sleep disturbance induced" chronic stress.

"In light of the COVID-19 pandemic, we have all become increasingly health conscious," said Akio Sato, managing representative and CEO of AIBIOS, "with further

support and additional funding, AIBIOS hopes to hone its technology and be able to bring new drugs that can better reach and treat patients with unmet medical needs."

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