

Press Release January 8, 2018

Extraordinary general meeting in Infant Bacterial Therapeutics

The extraordinary general meeting of Infant Bacterial Therapeutics AB (publ) ("IBT") on 8 January 2018 resolved, among other things, to approve the board of directors' resolution of 23 November 2017 on a new share issue and, as a result of the share issue, to adopt new articles of association with amended limits for the share capital and number of shares.

The issue resolution entails that the company's share capital is increased with not more than approximately SEK 1,259,861 through issue of not more than 155,538 new shares of series A and not more than 4,467,008 new shares of series B. The subscription price is SEK 95 per share. The right to subscribe for new shares shall with pre-emptive rights vest in the shareholders of the company, whereby ten shares of series A shall entitle to subscription for seven new shares of series A and ten shares of series B shall entitle to subscription for seven new shares of series B. Subscription can also be made without pre-emptive rights. Subscription for the new shares shall be made during the period 16 – 30 January 2018 and the record date for the right to participate in the share issue is 12 January 2018. The new share issue is covered by subscription undertakings, guarantee commitments and declarations of intent to subscribe corresponding to, in total, 89 percent of the issue.

For further details and information on the background to and reasons for the new issues, refer to IBT's press release on 24 November 2017.

Complete terms and conditions for the rights issue, together with other information about IBT, will be presented in the prospectus that will be made public prior to the commencement of the subscription period.

About Infant Bacterial Therapeutics AB

Infant Bacterial Therapeutics AB (publ) ("IBT") is a pharmaceutical company with a vision to develop drugs influencing the human infant microbiome, and thereby prevent or treat rare diseases affecting premature infants. Using its extensive experience in live bacterial therapeutics and its well-developed knowledge of the action of *Lactobacillus reuteri*, IBT is developing its lead drug candidate IBP-9414, to prevent necrotizing enterocolitis ("NEC"), a fatal, rare disease that afflicts premature infants. The FDA and the European Commission have granted IBT Orphan Drug Designation, and the FDA have granted Rare Pediatric Disease Designation for IBP-9414 for the prevention of NEC.

IBT is further pursuing a second rare disease programme IBP-1016 for the treatment of an unmet medical need in gastroschisis, a severe disease in infants. By developing these drugs, IBT has the potential to fulfil unmet needs for diseases where there are currently no prevention or treatment therapies available.

IBT is listed on Nasdaq First North Premier with Erik Penser Bank as Certified Adviser.

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