

Third Quarter 2018 Business Update

HALLE (SAALE), Germany, 29 November 2018 – Probiodrug AG (Euronext Amsterdam: PBD), a clinical stage biopharmaceutical company developing novel therapeutic solutions to treat Alzheimer's disease (AD), today announces its third quarter business update for the period ending September 30, 2018.

KEY HIGHLIGHTS

- Probiodrug appoints Dr. Michael Schaeffer as Executive Vice President of Business and Strategy, September 2018; promoted to Chief Business Officer, effective October 1, 2018 (after period-end)
- Expenditures and corresponding liquidity position (September 30, 2018: EUR 5.3 million) in line with management expectations

FINANCIAL REVIEW (ACCORDING TO IFRS)

The third quarter of 2018 was characterized by EUR 939k research and development expenses, slightly lower than in the third quarter of 2017 (EUR 1,127k). General and administrative expenses amounted to EUR 689k and were higher than in the third quarter of 2017 (EUR 526k). The Company did not generate any revenue in the reporting period, in line with corporate planning. Correspondingly, the net loss of the period was EUR 1,634k, compared to EUR 1,656k in the third quarter of 2017.

All results are in line with management expectations.

Probiodrug held EUR 5.3 million in cash and cash equivalents as of September 30, 2018.

OPERATIONAL REVIEW

Lead compound PQ912 – a first-in-class highly specific and potent Glutaminyl Cyclase (QC) inhibitor

Probiodrug presented the detailed study design of the Phase 2b core program for its QC inhibitor which incorporated the newest FDA and EMA draft guidance for early AD trials. The Phase 2b core program will consist of two clinical trials in the EU and USA. The first Phase 2b study will investigate the safety and efficacy of the optimal dose range of PQ912 in early AD patients. This trial will build on the excellent and efficient infrastructure established by the Phase 2a SAPHIR study.

PBD-C06 – a monoclonal antibody selectively targeting pGlu-Abeta

PBD-C06 is currently in the preclinical stage. The antibody has been successfully humanized and also de-immunized to avoid detection by the patient's endogenous immune system. For the first time in an anti-pGlu-Abeta approach, PBD-C06 has not only shown the ability to reduce Abeta/plaques but also to significantly improve cognitive deficits in aged Alzheimer's mice. Moreover, no evidence was found for increased microhemorrhages after treatment with PBD-C06.

CORPORATE REVIEW

Management Changes

Dr. Michael Schaeffer was appointed to the position of Executive Vice President of Business and Strategy, effective August 2018. Dr. Schaeffer brings more than 15 years of experience across pharma and biotech in strategic business development, scientific project and alliance management to Probiodrug.

POST PERIOD HIGHLIGHTS

Management Changes

Probiodrug announced the appointment of Dr. Michael Schaeffer to Chief Business Officer, effective October 1, 2018. Drawing on his extensive experience in neurology projects across all stages of development, Dr. Schaeffer has additionally taken over Probiodrug's R&D division. Dr. Inge Lues' term as Chief Development Officer came to an end effective October 31, 2018, with the contractual termination of her current agreement.

Extraordinary General Meeting of Shareholders 2018

On December 7, 2018, Probiodrug will held an Extraordinary General Meeting of Shareholders. The single item on the agenda: Report of a loss amounting to half the share capital pursuant to Sec. 92 para. 1 AktG.

OUTLOOK

The mid-term focus of Probiodrug's business activities remain unchanged and can be summarized as follows:

- Execution of the Phase 2b clinical study program for PQ912
- Identifying industrial partners
- Further strengthening Probiodrug's financial basis

The company's current financial resources are expected to be sufficient to fund operations until the end of Q3/2019.

Halle (Saale), November 29, 2018

Management Probiodrug