EnBiotix, Inc. Closes $11M Pre-Merger Financing

BOSTON, Mass. – December 29, 2021 – EnBiotix, Inc., a rare disease company currently focused on chronic respiratory disorders, today announced the closing of an $11M pre-merger, convertible note round of financing ("the Financing") comprised of Vectura Group plc, the Cystic Fibrosis Foundation and Sanford Biosciences LLC.

The Financing was led by Vectura Group plc ("Vectura"), a leader in inhaled therapeutics and drug-device combination development. In conjunction with the Financing, EnBiotix and Vectura have also entered into an agreement whereby EnBiotix will engage in exclusive negotiations with Vectura relating to a potential strategic alliance covering one or more of EnBiotix's inhaled drug products.

The Cystic Fibrosis Foundation ("the Foundation") joined the investment round primarily to fund confirmatory long-term safety studies related to EnBiotix's lead product ColiFin®, which would be conducted in parallel with a planned global Phase 3 clinical study.

Sanford Biosciences LLC ("SBL"), a past investor in EnBiotix, also joined the Financing. SBL is the life sciences investment arm of T. Denny Sanford, the investor behind medical research philanthropy such as the Sanford Burnham Prebys Medical Discovery Institute in La Jolla, CA, the non-profit, integrated healthcare provider Sanford Health, one of the largest in the Midwestern region of the U.S., and a number of life science company investments.

The Financing is designed to enable initiation of a number of EnBiotix activities related to the planned global Phase 3 clinical study of ColiFin® in cystic fibrosis patients. ColiFin® is an inhaled colistimethate sodium product in-licensed by EnBiotix from PARI Pharma GmbH for worldwide rights outside of Europe. ColiFin® has been approved in Europe since 2010, where it is a front-line therapy for the management of chronic pulmonary *Pseudomonas aeruginosa* infections in cystic fibrosis patients. EnBiotix expects to move ColiFin® into Phase 3 clinical trials in 2022.

Proceeds from the Financing will help fund EnBiotix's obligations related to its ongoing Phase 1 study of inhaled murepavidin in cystic fibrosis patients, a program which is also the subject of a separate Foundation award and a European Union Innovative Medicines Initiative grant. The Phase 1 inhaled murepavidin clinical study recently enrolled its first subjects.

Proceeds from the Financing will also be directed towards R&D expenses related to EnBiotix's other product development programs and ongoing and future legal, accounting and other general and administrative expenses related to its planned merger with Polyphor AG (SIX:POLN), which is expected to close by year-end 2021.

Jeffrey D. Wager, M.D., Chairman and CEO of EnBiotix, commented, "It is very motivating for all of us at EnBiotix to secure this financing from such a globally recognized syndicate of life science investors. The proceeds from the financing will significantly accelerate our plans to deliver innovative products to cystic fibrosis and other rare disease patients with significant unmet needs. In addition, we look forward to further discussions with Vectura to negotiate a strategic alliance agreement to further advance our pipeline and accelerate the development and commercialization of our inhaled drug portfolio."

About EnBiotix
EnBiotix is a late-clinical stage rare disease company with an initial focus on chronic respiratory disorders, an estimated $15 billion global market with millions of patients with unmet medical needs. With initial programs targeted at cystic fibrosis, non-CF bronchiectasis and non-tuberculous mycobacterial (NTM) lung disease. EnBiotix is building a rare disease pipeline of products through a combination of in-house programs, corporate partnering and strategic acquisitions. For more, see www.enbiotix.com

About Vectura Group plc:
Vectura is a leading specialist inhaled drug delivery company, a wholly owned subsidiary of Philip Morris International and the backbone of its inhaled therapeutics business, undertaking the end-to-end development of inhalable drug-device combinations. With differentiated proprietary technology and pharmaceutical development expertise, Vectura is one of the few companies globally with the device, formulation and development capabilities to deliver a broad range of complex inhaled therapies. For further information, please visit Vectura's website at www.vectura.com

About Polyphor AG:
Polyphor is a research-oriented Swiss biopharmaceutical company with a leading macrocyclic peptide technology platform. Polyphor is headquartered in Allschwil near Basel and is listed on the SIX Swiss Exchange (SIX: POLN). www.polyphor.com.

About PARI Pharma GmbH: PARI Pharma develops and produces custom nebulizers based on eFlow Technology for companies in the pharma industry that have been adapted specifically for the medication or the drug formulation of their partners. Several inhaled medicinal products made by PARI's pharma partners in combination with optimized eFlow nebulizer systems have already been launched in various markets and for different therapeutic indications worldwide. eFlow Technology is an aerosol delivery platform that enables efficient nebulization of liquid medications via a vibrating, perforated membrane. eFlow Technology devices are designed to reduce the burden of treatment for patients with severe respiratory conditions. PARI's portfolio in cystic fibrosis consists of two partnered and two own inhaled antibiotic/nebulizer combinations (which include ColiFin®/ColiFinair®), MucoClear 6%® and the universal eFlow®rapid/eRapid® Nebulizer System.

About ColiFin®: ColiFin® is an inhaled colistimethate sodium product developed by PARI Pharma GmbH based on PARI's proprietary e-Flow® nebulizer technology platform. Approved in select European countries beginning in 2010, ColiFin® is indicated for the front-line treatment of *Pseudomoas auriginosa* infections in cystic fibrosis patients, a chronic infection which contributes significantly to lung function decline, increased hospitalization and long-term mortality. Enbiotix plans to advance ColiFin®in P3 studies in the U.S. and elsewhere, leveraging its development significantly in this regard based on ColiFin® human safety data accumulated in Europe.

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