Aridis Pharmaceuticals

Aridis Pharmaceuticals Forms Subsidiary to Develop and Market its Monoclonal Antibody Therapies in China

Jointly Owned with Leading Chinese Pharmaceutical Company Shenzhen Hepalink Pharmaceutical Group Co., Ltd.

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SAN JOSE, Calif., Feb. 27, 2018 /PRNewswire/ -- Aridis Pharmaceuticals, Inc., a biopharmaceutical company applying proprietary technologies to produce novel anti-infectives and immunotherapies for infectious diseases, today announced that it has created a joint venture with Shenzhen Hepalink Pharmaceutical Group Co., Ltd. (Hepalink), one of China's leading pharmaceutical companies, to develop and gain regulatory approval for Aridis' fully human monoclonal antibody (mAb) therapies for the greater China market.

The jointly owned subsidiary company will be named Shenzhen Arimab Biopharmaceuticals Co., Ltd., and headquartered in China's largest technology hub, Shenzhen. The company will be launched with significant capital commitment to advance two of Aridis' clinical candidates, AR-301 and AR-101, through potential China Food and Drug Administration (CFDA) approvals in acute pneumonia caused by Gram-positive *Staphylococcus aureus* and Gram-negative *Pseudomonas aeruginosa* infection, respectively. Aridis and Hepalink are actively collaborating on clinical and regulatory strategies to include major hospital centers in China as part of global pivotal trials for these two assets.

"We are very pleased to collaborate with one of China's largest and most respected pharmaceutical companies, which has a strong track record of product development and commercialization of innovative biopharmaceuticals," stated Vu Truong, Ph.D., Founder and CEO of Aridis. "As in many countries across the world, antibiotic resistance is a rapidly growing problem in China because of overuse of broad-spectrum antibiotics. There is a strong need for new, innovative anti-infectives to stem the tide of resistance and expand treatment options in the sizable Chinese market. We believe our AR-301 and AR-101 mAbs, two of the world's most advanced immunotherapies addressing severe bacterial infections, may serve as major technological advancement for treating life-threatening infections such as bacterial pneumonia."

Mr. Li Li, Hepalink's President and Chairman, stated, "We believe Aridis's mAbs address important health issues facing China today. Hospital-acquired bacterial infections are associated with high patient mortality and high cost to our healthcare system. The persistence and spread of drug-resistant strains severely limits the utility of currently approved treatments. The mission of our jointly owned company will be to deliver powerful, innovative anti-infective tools by demonstrating the clinical efficacy of AR-301 and AR-101 and seeking regulatory approvals as efficiently as possible."

AR-301 is a fully human IgG1 mAb that specifically targets *S. aureus* alpha-toxin and protects host cells from toxin-dependent destruction by repressing functional toxin pore formation. Its mode of action is independent of the antibiotic resistance profile of *S. aureus*; hence it is active against infections caused by both MRSA and MSSA. In a completed Phase 2a clinical trial of AR-301 as an adjunct therapy to standard-of-care antibiotics in patients with severe hospital-acquired pneumonia (HAP) or ventilator-associated pneumonia (VAP) caused by *S. aureus*, patients experienced no related serious adverse events at any AR-301 dose level and compared to antibiotic treatment alone, patients treated with AR-301 at all dose levels spent a shorter time under mechanical ventilation. Eradication of *S. aureus* was also consistently higher in the group receiving AR-301 at all dose levels.

AR-101 is a highly specific mAb targeted against *P. aeruginosa* lipopolysaccharide serotype O11, which accounts for ~20% of all *P. aeruginosa* hospital-acquired infections worldwide and higher incidence in China. It is intended to be a first-line adjunctive therapy for patients with severe *P. aeruginosa* pneumonia being treated in intensive care units and has Orphan Drug designation from the U.S. FDA and Europe's EMA regulatory agencies. Aridis successfully completed Phase 2a clinical testing of AR-101 in *P. aeruginosa* HAP and VAP patients, demonstrating a strong safety profile and efficacy trends, including improvement in mortality, shorter time to clinical cure of pneumonia, shorter time on mechanical ventilation, and fewer days in the ICU as compared to standard of care antibiotics-alone.

About Aridis Pharmaceuticals, Inc.
Aridis is a privately held biopharmaceutical company applying proprietary monoclonal antibody discovery technology MabIgX® to produce novel infectious disease focused therapies. Aridis' product pipeline includes AR-101 anti-*Pseudomonas aeruginosa* LPS human monoclonal antibody; AR-301 anti-*Staphylococcus aureus* human monoclonal antibody to treat acute pneumonia; AR-105, a broadly reactive monoclonal antibody against *Pseudomonas aeruginosa* initially being developed to treat acute pneumonia; AR-501, a small molecule anti-

infective gallium compound with broad spectrum activities against bacteria, viruses, and fungi; AR-401 anti-*Acinetobacter baumannii* human monoclonal antibody; and AR-201 anti-RSV human monoclonal antibody.

Forward-Looking Statements
Certain statements in this press release are forward-looking statements that involve a number of risks and uncertainties. Such forward-looking statements include statements relating to the therapeutic applications of AR-101, AR-301, AR-105 AR-501, AR-401, AR-201, Aridis' proprietary formulation and delivery technologies, about Aridis' strategy, pre-clinical and clinical programs, and ability to identify and develop drugs, as well as other statements that are not historical facts. Actual events or results may differ materially from Aridis' expectations. Factors that could cause actual results to differ materially from the forward-looking statements include, but are not limited to, the timing, success and cost of Aridis' research and clinical studies and its ability to obtain additional financing. These forward-looking statements represent Aridis' judgment as of the date of this release. Aridis disclaims any intent or obligation to update these forward-looking statements.

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