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Achaogen Announces Strategic Update to Align Operations with Commercial and Clinical Development Priorities

July 26, 2018

-- Restructuring to improve cost structure and focus corporate priorities to reduce overall capital needs --

-- Commercial and Medical Affairs teams unchanged by restructuring as the Company executes on U.S. commercial launch of ZEMDRI™ --

SOUTH SAN FRANCISCO, Calif., July 26, 2018 (GLOBE NEWSWIRE) -- Achaogen, Inc. (NASDAQ:AKAO), a biopharmaceutical company developing and commercializing innovative antibacterial agents to address multi-drug resistant (MDR) gram-negative infections, today announced a strategic update and corporate restructuring to focus resources on the successful commercialization of ZEMDRI™ in the United States, the Marketing Authorization Application (MAA) filing for ZEMDRI in the European Union, and continued development of the C-Scape program. Consistent with the Company's mission, Achaogen's research and development efforts will focus on C-Scape, an orally-administered beta-lactam/beta-lactamase inhibitor combination, and new aminoglycoside antibiotics, both of which have non-dilutive funding commitments.

"Despite being on course for a successful launch of ZEMDRI in the United States and a MAA filing in the EU in the second half of this year, the environment for novel antibacterials requires us to improve our cost structure and narrow our focus to position the company for long-term success," said Blake Wise, Achaogen's Chief Executive Officer. "I take great pride in the entire Achaogen team that worked exceedingly hard to make ZEMDRI commercially available in less than one month after FDA approval, and I am saddened to announce a restructuring that broadly impacts the organization, including high caliber partners on the executive team. I thank the entire Achaogen team for all they have done to build this company."

The Company remains focused on the launch of ZEMDRI in the U.S. and, as such, the commercial and medical affairs groups will not be affected by the restructuring. Achaogen will reduce spending on early-stage research and development, technical operations and general and administrative expenses. The Company estimates that the restructuring will result in the elimination of approximately 80 positions, or approximately 28 percent, of the Company's workforce and estimates a one-time employee severance and benefits charge of approximately \$6.0M in the third quarter of 2018. The elimination of these positions in conjunction with reductions in operating expenses is expected to result in near-term quarterly operating expenses consistent with what was reported for the previous two quarters, excluding one-time items of milestone payments and restructuring charges.

The Company will also restructure the Achaogen executive management team as follows:

- Kenneth Hillan, M.B., Ch.B., President, R&D, will leave the Company on October 15, 2018, however he will continue to serve on the Board of Directors;
- Tobin Schilke, Chief Financial Officer, will leave the Company on September 30, 2018;
- Lee Swem, Ph.D., Chief Scientific Officer, will leave the Company on September 24, 2018;
- Zeryn Sarpangal, Chief of Staff, will assume the role of Chief Financial Officer on October 1, 2018; and
- Liz Bhatt, Chief Business Officer, will assume the role of Chief Operating Officer on July 26, 2018, and will assume oversight of the Company's technical operations in addition to her current corporate development responsibilities.

"Zeryn and Liz are accomplished and strategic Achaogen leaders as well as trusted partners to the Board and me," said John W. Smither, Achaogen Board Member and Audit Committee Chair and Chief Financial Officer of Sienna Biopharmaceuticals. "As a former investment banker and prior leader of Achaogen's financial function, Zeryn possesses strong financial acumen in addition to a deep understanding of the Company's strategy and business operations, which uniquely prepare her to deliver shareholder value in her new role as Chief Financial Officer. I look forward to supporting Zeryn, Liz and the entire leadership team as they capitalize on the potential of the Company's first revenue-generating product. I also thank Kenneth, Toby, and Lee for their leadership, service, and countless contributions to building this company."

The Achaogen executive management team will discuss this strategic update and restructuring on the Company's second quarter 2018 earnings call scheduled for August 6, 2018.

About Achaogen

Achaogen is a biopharmaceutical company passionately committed to the discovery, development, and commercialization of innovative antibacterial treatments for MDR gram-negative infections. Achaogen's first commercial product is ZEMDRI, for the treatment of adults with complicated urinary tract infections (cUTI), including pyelonephritis. The Achaogen ZEMDRI program was funded in part with federal funds from the Biomedical Advanced Research and Development Authority (BARDA), Office of the Assistant Secretary for Preparedness and Response, Office of the Secretary, Department of Health and Human Services, under Contract No. HHSO10020100046C. The Company is currently developing C-Scape, an orally-administered beta-lactam/beta-lactamase inhibitor combination, which is also supported by BARDA. Achaogen is also developing a new aminoglycoside program, which is supported by CARB-X. All product candidates are investigational, have not been determined to be safe or efficacious, and have not been approved for commercialization. For more information, visit the Achaogen website at www.achaogen.com.

Forward-Looking Statements

This press release contains forward-looking statements. All statements other than statements of historical facts contained herein are forward-looking statements reflecting the current beliefs and expectations of management made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, including, but not limited to, Achaogen expectations regarding the timing and benefits of its reduction in workforce, the aggregate charges and cash expenditures to be incurred in connection with this reduction, Achaogen's strategic and commercial objectives and the Achaogen pipeline of product candidates. Such forward-looking statements involve known and unknown risks and other factors that may cause Achaogen's actual results, or performance to be materially different from any future results, performance, or achievements expressed or implied by the

forward-looking statements. Such risks and uncertainties include, among others, the risks and uncertainties related to the reductions in workforce, including claims arising out of reductions; the risks and uncertainties of the regulatory approval process; market size and growth; timing of activities; and the risks and uncertainties of product sales. For a further description of the risks and uncertainties that could cause actual results to differ from those expressed in these forward-looking statements, as well as risks relating to the Achaogen business in general, see Achaogen current and future reports filed with the Securities and Exchange Commission, including its Annual Report on Form 10-K filed on February 27, 2018, and its Quarterly Report on Form 10-Q filed on May 7, 2018. Achaogen does not plan to publicly update or revise any forward-looking statements contained in this press release, whether as a result of any new information, future events, changed circumstances, or otherwise.

Investor Contact:

Ashley R. Robinson
LifeSci Partners, LLC
arr@lifesciadvisors.com

Media Contact:

Denise T. Powell
Red House Consulting, LLC
dpowell@achaogen.com

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