SutroVax Announces $110M Series D Financing to Advance Broadest-Spectrum Pneumococcal Vaccine Candidates to Prevent Pneumonia

March 26, 2020

Foster City, CA, March 26, 2020 – SutroVax, a biopharmaceutical company dedicated to the delivery of superior and novel vaccines designed to prevent or treat some of the most common and deadly infectious diseases worldwide, today announced the closing of a $110 million Series D preferred stock financing, co-led by new investors RA Capital Management and Janus Henderson Investors. All of SutroVax's existing institutional investors, including TPG Growth, Abingworth, Longitude Capital, Frazier Health Care Partners, Pivotal bioVenture Partners, Medixci, CTI Life Sciences, Roche Venture Fund, and Foresite Capital also participated in the financing.

"Our primary mission is to deliver the best and most broadly protective vaccines to prevent pneumonia in adults and children. We are delighted to welcome respected life-science investors RA Capital Management and Janus Henderson Investors to join with our syndicate of private equity and venture capital backers, as we work to advance the most broad-spectrum pneumococcal vaccine candidates to the clinic," said Grant Pickering, CEO and Founder of SutroVax.

SutroVax's lead vaccine candidate, SVX-24, is a preclinical, 24-valent pneumococcal conjugate vaccine (PCV) that includes 11 incremental strains over and above the 13 in today's standard of care, Prevnar 13 ®, including strains responsible for high case-fatality rates, antibiotic resistance and/or meningitis. Preclinical proof of concept studies for SVX-24 evaluating the surrogate immune endpoints used for adults and children demonstrated comparable responses to the 13 common strains in Prevnar 13 and superior responses to the 23 common strains in Pneumovax®23, the non-conjugate polysaccharide-only vaccine. The pneumococcal vaccine class is the industry's largest, accounting for over $7 billion in annual sales. These SVX-24 preclinical data have been accepted for presentation at the 12th International Symposium on Pneumococci and Pneumococcal Disease (ISPPD-12) anticipated to take place in June 2020.

The SutroVax PCV pipeline also includes SVX-XP, a PCV with an expanded breadth of coverage of at least 30 strains, including newly emerging strains responsible for invasive pneumococcal disease and antibiotic resistance. SutroVax has generated preclinical proof of concept versus the standard of care vaccines and intends to advance SVX-XP into the clinic as a future successor to SVX-24.

In connection with the Series D financing, Derek DiRocco, Ph.D., from RA Capital Management, and Agustin Mohedas, Ph.D., from Janus Henderson Investors, joined the SutroVax Board of Directors as board observers.

"SutroVax is tackling a significant, growing issue given the threat of pneumococcal disease and other infectious diseases, where new strains are hampering effective preventative measures," said Dr. DiRocco and Dr. Mohedas in a joint statement. "SutroVax has made significant strides to date, and we look forward to the advancement of its lead candidate into clinical development as well as the expansion of its innovative platform."

About Pneumococcal Disease and the Pneumococcal Vaccine Market

Pneumococcal disease is an infection caused by *Streptococcus pneumoniae*. This infection can lead to a wide range of serious primary infections including pneumonia, meningitis and blood stream infections, as well as ear and sinus infections, and can also cause secondary infections due to other respiratory pathogens. According to the Centers for Disease Control and Prevention (CDC), an estimated 900,000 people suffer from pneumococcal pneumonia in the United States each year, including as many as 400,000 requiring hospitalizations and approximately 28,000 deaths. The market-leading vaccine is a 13-valent PCV, Prevnar 13, that has worldwide annual sales of approximately $6 billion, yet does not protect against a significant number of circulating strains of pneumococcus causing invasive disease in adults and children.

About SVX-24

SVX-24 is designed to improve upon the 13-valent PCV standard of care by covering the additional eleven strains that are responsible for the majority of residual pneumococcal disease currently in circulation in both the United States and European Union and associated with high case-fatality rates, antibiotic resistance and/or meningitis. The company believes it can achieve this by employing its cell-free protein synthesis platform, which is comprised of the XpressCF™ platform exclusively licensed from Sutro Biopharma and its proprietary know-how that offers several advantages over conventional cell-based protein expression methods, which the company believes enables it to generate a more broad-spectrum PCV. SutroVax believes it can add more antigenic strains without compromising the overall immune response. In particular, SutroVax's ability to specify the attachment point of antigens, including polysaccharides, on protein carriers represents a significant improvement over the random conjugation that occurs with conventional PCVs. This site-specific conjugation is designed to ensure that T-cell epitopes on the protein carrier are optimally exposed, maximizing the immune response, whereas random conjugation can block these critical immunogenic epitopes, dampening the immune response and causing a phenomenon known as carrier suppression. The company believes this precise control of conjugation chemistry enables it to design broader-spectrum conjugate vaccine candidates using carrier-sparing conjugates that use less protein carrier without sacrificing immunogenicity.

SutroVax achieved preclinical proof of concept for SVX-24 by demonstrating that SVX-24 has the potential to protect against the pneumococcal strains collectively covered by Prevnar 13 and Pneumovax 23 and showing the boostable immune responses that are the hallmark of a conjugate vaccine. SVX-24 includes 24 purified capsular polysaccharides of *Streptococcus pneumoniae* (1, 2, 3, 4, 5, 6A, 6B, 7F, 8, 9N, 9V, 10A, 11A, 12F, 14, 15B, 17F, 18C, 19A, 19F, 20, 22F, 23F and 33F), each of which is conjugated to eCRM, the company's proprietary protein carrier, to produce 24 monovalent conjugates. These conjugates are mixed into a final vaccine formulation and then adsorbed to alum.

There are critical differences between SVX-24 and other currently available PCVs relating to SutroVax's protein carrier, eCRM, particularly the ability to perform site-specific conjugation and use milder reaction conditions for conjugation. SutroVax achieves site-specific conjugation through the insertion of multiple non-native amino acids (nnAAs) into the protein carrier, which is not possible with the conventional chemistry used for making other PCVs. The click chemistry SutroVax uses for site-specific conjugation of the polysaccharides to the nnAAs on the protein carrier may also minimize damage to the critical immunogenic epitopes on both the protein carrier and the polysaccharides through milder and shorter reactions, while other PCVs use conventional chemistries that involve harsher and longer reaction conditions. SVX-24, as tested in preclinical studies, showed nearly double the serotype spectrum of coverage of Prevnar 13, yet contains a similar amount of protein carrier. The company believes the resulting decreased carrier burden per conjugate of SVX-24 is critical for avoiding carrier suppression and producing broader-spectrum PCVs without sacrificing immunogenicity.

About RA Capital Management

RA Capital Management is a multi-stage investment manager dedicated to evidence-based investing in public and private healthcare and life science companies that are developing drugs, medical devices, and diagnostics. The flexibility of its strategy allows RA Capital to provide seed funding to startups and to lead private, IPO, and follow-on financings for its portfolio companies, both facilitating the crossover process and allowing management teams to drive value creation with fewer capital concerns from inception through commercialization. https://www.racap.com/

About Janus Henderson Investors

Janus Henderson Investors exists to help clients achieve their long-term financial goals. Its active management offers clients the opportunity to outperform passive portfolios over the course of market cycles. With more than 360 investment professionals, Janus Henderson Investors provides access to some of the industry's most talented and innovative thinkers, spanning equities, fixed income, multi-asset and alternatives, globally. Its investment teams blend insight, originality and precision with rigorous analysis, structured processes and robust risk management. Janus Henderson Investors builds client partnerships on openness and trust, channeling expertise from across the business and communicating the views of our experts in a timely and relevant way. https://www.janushenderson.com/

About SutroVax

SutroVax is a next-generation vaccine company seeking to improve global health by developing superior and novel vaccines designed to prevent or treat some of the most common and deadly infectious diseases worldwide. The company's cell-free protein synthesis platform, comprising the XpressCF^{TM} platform and its proprietary know-how, enables the design and production of protein carriers and antigens, the critical building blocks of vaccines, in ways that the company believes conventional vaccine technologies currently cannot. SutroVax acquired an exclusive license to Sutro Biopharma's (Nasdaq: STRO) proprietary cell-free protein synthesis platform, XpressCF ^{TM}, for the discovery, development, and sale of vaccines for the treatment or prevention of infectious diseases. In addition to its PCVs in development, SVX-24 and SVX-XP. SutroVax is leveraging its proprietary platform to advance other novel vaccines, including a prophylactic vaccine to prevent Group A Strep infections and a therapeutic vaccine to treat periodontal disease. For more information, visit www.sutrovax.com.

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