



## **Orchestra BioMed™ Completes \$34 Million Financing to Accelerate Product Pipeline Development and Advance Partnerships**

July 10, 2019

*Series B-1 Round Led by Perceptive, RTW and Soleus Capital with Strategic Participation from Terumo Corporation*

*Secures \$64 Million in 2019 Capital Inflows, Including \$30 Million Upfront Payment from Terumo Partnership*

*Financing Structure Provides Up to an Additional \$57 Million in Follow-On Investments from Existing Shareholders*

New Hope, PA – Orchestra BioMed, Inc. (“Orchestra BioMed” or the “Company”), a biomedical innovation company providing high-impact solutions for large unmet needs in procedure-based medicine, today announced it has completed a \$34 million Series B-1 Preferred Stock financing led by institutional investors Perceptive Advisors, RTW Investments and Soleus Capital with participation from strategic partner Terumo Corporation (“Terumo”) and existing investors from SternAegis Ventures. In addition, Orchestra BioMed may receive up to an additional \$57 million in follow-on investments from existing shareholders based on the structure of its Series B-1 and Series B Preferred Stock financings. Proceeds from the financing will be used to accelerate and expand development of Orchestra BioMed’s lead and pipeline assets, including BackBeat Cardiac Neuromodulation Therapy (CNT) for hypertension. Proceeds will also support Orchestra BioMed’s commitments to its global strategic partnership with Terumo for the development and commercialization of the Virtue<sup>®</sup> Sirolimus-Eluting Balloon (SEB) for percutaneous coronary and peripheral vascular interventions.

Orchestra BioMed’s June 2019 partnership with Terumo included a \$30 million up-front payment as well as significant future milestone payments from Terumo and meaningful revenue sharing through sales royalties and exclusive drug formulation supply payments. Terumo, one of the world’s leading medical device manufacturers, and Orchestra BioMed are executing a global clinical program for Virtue SEB, the first and only non-coated angioplasty balloon to deliver a sustained-release formulation of sirolimus during balloon angioplasty without the need for a coating or permanent implant. The FDA granted Virtue SEB Breakthrough Device Designation for coronary in-stent restenosis (ISR) in April 2019 and the companies are preparing to launch a U.S. registrational trial for this indication under an Investigational Device Exemption (IDE) from the FDA within the next year. Terumo and Orchestra BioMed also plan to expand Virtue SEB clinical trials into additional indications including small coronary vessels and peripheral artery disease below-the-knee in the U.S., Japan, China, and other markets. This strategic partnership with Terumo illustrates the long-term value of Orchestra BioMed’s business model and potential for collaboration with market leaders to accelerate development and commercialization of products like Virtue SEB to address large established medical procedure markets.

“This financing round, together with our recent global development and commercialization partnership with Terumo, validates our differentiated business strategy and unique approach for the development of high-impact therapeutic device solutions,” said David Hochman, chairman, chief executive officer and founder of Orchestra BioMed. “Since the start of 2019, successful execution has generated over \$64 million in capital inflows, including a significant upfront payment and strategic investment from our Virtue SEB global partnership. We are grateful to our investors and to Terumo, who’ve helped us achieve significant momentum and positioned us for meaningful value inflection as we seek to achieve key clinical milestones and expand our product development pipeline.”

Orchestra BioMed retained the rights to develop and license technology used in Virtue SEB in clinical applications outside of peripheral and coronary interventions. Proceeds from the Series B-1 financing will be used to develop additional clinical product candidates using sustained-release sirolimus in other large, procedure-based medical markets. Orchestra BioMed is also advancing its implantable cardiac neuromodulation therapy for hypertension, BackBeat CNT, shown in clinical studies to immediately, substantially and chronically lower blood pressure. A randomized clinical study to further investigate the efficacy and safety of BackBeat CNT for the treatment of hypertension recently completed enrollment and is on track to report six-month data later this year. With this Series B-1 financing, Orchestra BioMed plans to accelerate additional global BackBeat CNT clinical trials. In parallel, the Company is continually evaluating additional product acquisition opportunities in line with its strategy of developing high-impact solutions that address major needs in key markets and forming partnerships with established commercial leaders to drive global commercialization.

“We are now well positioned to accelerate and expand product development, not just for our lead programs, Virtue SEB and BackBeat CNT, but for our technology pipeline, which we expect to translate over time into multiple future product development and partnership opportunities and significant future cash flows,” said Darren R. Sherman, president, chief operating officer and founder of Orchestra BioMed. “A key focus for Orchestra BioMed moving forward will be clinical and regulatory execution. We are looking forward to launching multiple global clinical studies over the next several years to fully explore the clinical benefits of Virtue SEB for artery disease and BackBeat CNT for hypertension. We are also selectively looking to acquire or in-license additional high-impact product candidates that fit our partnership-focused business model.”

### **About Orchestra BioMed™**

Orchestra BioMed is a biomedical innovation company providing high-impact solutions for large unmet needs in procedure-based medicine. The Company partners with established market leaders to drive global commercialization of its products, establishing multiple long-term potential revenue streams and supporting further product development. Its current product pipeline was organically developed and features Virtue<sup>®</sup> SEB for the treatment of artery disease, the leading cause of death worldwide, and BackBeat Cardiac Neuromodulation Therapy (CNT) for the treatment of hypertension, the leading contributing risk factor for death worldwide. Orchestra BioMed’s business model optimizes capital efficiency and cash flow by developing therapies with a high probability of success that fulfill a specific need, fit within current clinical workflow and deliver health-economic value. Orchestra BioMed is led by a multi-disciplinary team with a long track record of successful product development.

## **Forward-Looking Statements**

*Some of the statements made herein constitute forward-looking statements. These statements relate to future financial and other performance or anticipated plans and are identified by words such as “may,” “will,” “should,” “expect,” “could,” “scheduled,” “plan,” “intend,” “anticipate,” “believe,” “estimate,” “potential,” “propose” and “continue” or negative variants of such terms. These and similar forward-looking statements discuss the Company’s future expectations and plans. The Company operates in a very competitive and rapidly changing environment. New risks emerge from time to time. Given these risks and uncertainties, the Company cautions against placing undue reliance on these forward-looking statements. These statements are only estimates of future performance. Actual performance or events may not meet such expectations or estimates and may, in fact, differ materially.*

*Although the Company believes that the expectations reflected in the forward-looking statements made herein are reasonable, the Company cannot and does not guarantee future results, levels of activity, performance or achievements. Moreover, the Company does not assume any responsibility for the accuracy and completeness of such forward-looking statements in the future. The Company does not plan and, subject to applicable law, undertakes no obligation to update any of the forward-looking statements made herein after the date hereof in order to conform such statements to actual results.*

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