Espero Pharmaceuticals and Armetheon to Merge and Create a Premier Cardiovascular Focused Biopharmaceutical Company

Transaction Creates a Commercial-Stage Company with a Robust Late-Stage Development Pipeline and a Portfolio of Recent FDA-Approved Drugs

JACKSONVILLE, Fla. and MENLO PARK, Calif. (March 30, 2017) – Espero Pharmaceuticals, Inc., a privately held, commercial-stage cardiovascular pharmaceutical company, and Armetheon, Inc., a privately held, late-clinical stage pharmaceutical company developing innovative novel drugs addressing major unmet needs in cardiovascular diseases, today announced their plans to merge. Upon completion of the merger, which is expected to occur in the second quarter of 2017, the combined company will be named Espero BioPharma, Inc. ("Espero" or the "Company").

The merger will create a premier cardiovascular biopharmaceutical company with a portfolio of recent FDA-approved products, a robust late-stage pipeline, and a growth plan focused on developing innovative products, acquisitions and the commercialization of portfolio products in the U.S. and with partners worldwide. Armetheon recently announced it has reached agreement with the U.S. Food and Drug Administration (FDA) for a single 1,000 patient final pivotal trial for its leading drug candidate, tecarfarin (Tecarfarin for AntiCoagulation Trial or TACT) prior to filing a New Drug Application (NDA), which is currently projected to occur in 2019.

Tecarfarin is positioned to potentially be, if approved, the oral anticoagulant (OAC) therapy of choice for patients who require anticoagulation with a Vitamin K antagonist (VKA), such as warfarin. There are at least 15 conditions requiring OAC therapy where a VKA such as warfarin is predominantly used because of a need for a strong anticoagulant, contraindications, or recommended by professional medical societies. These conditions represent at least 1.7 million patients in the U.S. alone, with 91% of these patients taking at least one cytochrome P450 (CYP) interacting drug.

"Armetheon's promising late stage pipeline and Espero's leadership and commercialization expertise will result in a biopharmaceutical company solely focused on commercializing standard of care medicines as well as developing and approving late stage candidates treating cardiovascular diseases." commented Peter Milner, MD FACC, Co-Founder and Executive Chairman of Armetheon.

Espero's currently marketed products include GoNitro™ (nitroglycerin) sublingual powder for the acute relief and prophylaxis of angina pectoris, which recently was awarded recognition by the Journal of Emergency Medical Services. Leveraging its existing and scalable commercial platform, Espero has the ability to commercialize tecarfarin and potential new product acquisitions.

"Cardiovascular diseases are the number one cause of death in the U.S. and worldwide, yet less than 10% of the new chemical entities approved by FDA in the last six years are for the treatment of cardiovascular diseases. Espero is committed to bringing new treatment options to patients in this underinvested therapeutic category, while also delivering significant benefits to all our stakeholders." said Quang Pham, Founder, Chairman and Chief Executive Officer of Espero, who was selected by both boards of directors to lead the combined Company.

About Tecarfarin

Tecarfarin is being investigated for use as an oral, once-daily anticoagulant that inhibits Vitamin K epoxide reductase (VKOR), an important enzyme in the coagulation system, and avoids CYP450 metabolism and renal elimination. In Phase 2 and Phase 2/3 (EMBRACE-AC) clinical testing, tecarfarin improved time in therapeutic range (TTR) in chronically anticoagulated patients. The effect of tecarfarin on TTR will be further investigated in the Company's upcoming pivotal clinical trial, TACT, the protocol for which Armetheon, as indicated by FDA, can amend the existing Special Protocol Assessment (SPA) agreed with the FDA. TACT is an open-label trial expected to enroll 1,000 patients with any indication for anticoagulation, including prosthetic heart valve (PHV) patients and patients with chronic kidney disease (CKD). TTR was chosen as the primary endpoint for TACT based on evidence suggesting that better anticoagulation control (as measured by higher TTR) can protect patients from severe or even fatal adverse events. Tecarfarin is monitored using INR (International Normalized Ratio, from which TTR is derived) and is being investigated for use without the need for CYP2C9 genotyping since tecarfarin is not metabolized via the CYP450 system. In preclinical and early clinical studies, the anticoagulant effect of tecarfarin was reversed by existing and readily available antidotes for Vitamin K Antagonists.

About Armetheon

Armetheon, Inc., is a privately held, cardiovascular focused clinical stage pharmaceutical company developing with the intent to commercialize in the U.S. innovative medicines addressing major unmet needs in cardiovascular diseases, initially in thrombosis and cardiac arrhythmias. Armetheon focuses on improved therapies with the goal of increased efficacy, safety, and utility, targeting specialty markets with clearly defined regulatory pathways.

Armetheon is also developing an anti-arrhythmic drug candidate, budiodarone, the only known anti-arrhythmic currently in clinical development, for the potential treatment of refractory atrial fibrillation (AF), defined as those patients who have failed at least one first line therapy with anti-arrhythmic drugs or catheter ablation as well as ventricular tachycardia (VT) in patients with implantable cardioverter defibrillators (ICDs). Almost 40-60% of patients with AF fail first-line therapy, which equates to almost 2 million patients in the U.S alone. Currently, there are no approved drugs for this target population.

Budiodarone has a recently issued U.S. patent with claims directed to the treatment of refractory atrial fibrillation in patients who have failed at least one first line therapy. The claims also include use in combination with any of the approved novel oral anticoagulants (NOAC) in the refractory patient population. This is important since the oral antiarrhythmic amiodarone (the standard of care for more than 50 years which currently has 80% of the market share), as per guidance from professional medical societies in US and Europe, is not recommended for combination with the currently available novel OACs primarily due to drug-drug interaction and safety issues. Combination therapy using an oral

antiarrhythmic and an oral anticoagulant could potentially provide symptom relief as well as stroke prevention, in a single pill. For more information: www.armetheon.com.

About Espero Pharmaceuticals
Espero Pharmaceuticals, Inc., is a commercial-stage cardiovascular pharmaceutical company engaged in maximizing the commercial value of proven treatments that improve the quality of life for patients. Espero is focused on compounds with proven safety and efficacy administered via novel delivery solutions in the cardiovascular category. Through Jacksonville Pharmaceuticals, its wholly owned subsidiary, the company markets and distributes selected generic pharmaceutical products including the authorized generic version of Nitrolingual® Pumpspray (nitroglycerin lingual spray). For more information: www.esperopharma.com

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