



MGB Biopharma Announces Completion of Funding Round

Glasgow, Scotland, 30 August 2019 – MGB Biopharma, a biopharmaceutical company developing a novel class of anti-infectives to address the major global problem of antibiotic resistance, today announces the completion of its latest funding round. The over-subscribed fund-raise was supported by new and existing investors, led by Archangel Investors and including Scottish Investment Bank (the investment arm of Scottish Enterprise, Scotland’s national economic development agency), Barwell and TriCapital Investors.

The new funding will allow the company to complete all activities around its ongoing Phase IIa clinical trial with its lead antibiotic MGB-BP-3 and prepare for the next stages of its development and to progress other programmes through to H2 2020.

MGB-BP-3 is a potent bactericidal antibiotic with a completely novel mode of action. An oral formulation is being developed specifically for the treatment of *Clostridium difficile*-associated disease (CDAD). To-date, MGB-BP-3 is the only antibiotic that has the killing power, combined with the speed of action, to eradicate *C. difficile* within the first few hours of exposure, helping to prevent the bacteria evading therapy via sporulation. Importantly, MGB-BP-3 has very strong bactericidal activity against the BI/NAP1/027 strain, the most virulent strain of *C. difficile*, which is largely resistant to current therapy.

CDAD is a serious and life-threatening infection of the large intestine and is the most frequent cause of diarrhoea in hospitals and care homes. In the US alone there are almost half a million cases every year leading to around 30,000 deaths per annum.

MGB Biopharma’s ongoing Phase IIa trial is assessing the safety and efficacy of incremental doses of MGB-BP-3 in patients with CDAD, with the cure rate assessed after completion of 10-day therapy and at follow-up of up to 8 weeks. Recruitment of patients at sites in both Canada and the US is progressing well. Headline results are anticipated in Q4 2019.

Dr Miroslav Ravic, CEO of MGB Biopharma, said: “We are delighted to have secured additional financing from both new and existing investors, who have demonstrated their confidence in the progress of our Phase IIa study. Given its unique properties, we remain confident that MGB-BP-3 could become a new paradigm for the treatment of CDAD, a potentially life-threatening infection.”

Dr Sarah Hardy, Chief Investment Officer at Archangels, said: “There remains a desperate need for novel treatments in our armoury to treat *C. difficile* infections. The work that MGB Biopharma is undertaking is both important and innovative and the results that have been achieved so far have been very encouraging.”

Kerry Sharp, Director of Scottish Investment Bank, said: “Scotland hosts one of the most sizeable and vibrant life sciences communities in Europe. As one of those community companies, MGB Biopharma is at an exciting stage as it progresses through its Phase IIa clinical trial.”

The Company acknowledges the support to the funding of its Phase IIa trial with MGB-BP-3 from an award from Innovate UK, the Biomedical Catalyst Fund. The Company also acknowledges the support of University of Strathclyde where MGB-BP-3 was discovered and initially developed.

###



For further information, please contact:

MGB Biopharma Chris Wardhaugh, Chief Business Officer cwardhaugh@mgb-biopharma.com +44 (0) 1698 464224	Citigate Dewe Rogerson David Dible, Sylvie Berrebi david.dible@citigatedewerogerson.com sylvie.berrebi@citigatedewerogerson.com +44 (0) 20 7638 9571
--	--

About MGB-BP-3

MGB-BP-3 has two principal features that distinguish it from existing CDAD therapy. Firstly, it has a very fast bactericidal effect which, in contrast to current CDAD treatment, is able to kill *C. difficile* in its vegetative form before it can sporulate, thus speeding up recovery and preventing the disease from recurring. Secondly, MGB-BP-3 has very strong bactericidal activity against the BI/NAP1/027 strain, the most virulent strain which is largely resistant to current therapy.

About MGB Biopharma

MGB Biopharma is a clinical stage company developing a novel class of anti-infectives. Its lead candidate, MGB-BP-3, is being developed as an oral formulation of MGB-BP-3 for the treatment of *Clostridium difficile*-associated diarrhoea (CDAD).

In addition to its *C. difficile* programme, MGB Biopharma has a pipeline of early preclinical compounds against Gram-positive, Gram-negative, and anti-fungal pathogens.

MGB Biopharma acquired rights to the proprietary minor groove binder (MGB) platform, developed at the University of Strathclyde, Glasgow, with exclusive worldwide licensing rights for all anti-infective fields, including Gram-negative bacteria. This platform provides an opportunity to develop various compounds with a completely new mode of action which are distinct from the antimicrobial drugs used in clinical practice today. As a result, many MGB-based drugs have the potential to offer significant advantages over existing anti-infectives, for example, MGB-BP-3, which exhibits high efficacy against many multi-drug susceptible and resistant Gram-positive pathogens. To date, no resistance to MGB compounds has been observed.

The Company intends to work with partners to fully capitalise on the multiple value creating opportunities offered by its broad and innovative anti-infectives platform.

The Company, founded in 2010 and headquartered in Glasgow, Scotland, is backed by Scottish investors including Archangel Investors Limited, Barwell, TRICap, Syndicate Room and the Scottish Investment Bank, Scottish Enterprise.

For more information please visit www.mgb-biopharma.com

About Scottish Investment Bank

The Scottish Investment Bank (SIB) is the investment arm of Scotland's national economic development agency, Scottish Enterprise, operating Scotland-wide in partnership with Highlands and Islands Enterprise (HIE). SIB's activities support Scotland's SME funding market to ensure businesses with growth and export potential have adequate access to growth capital and loan funding.



MGB Biopharma

SIB manages a suite of co-investment funds including the Scottish Co-investment Fund, the Scottish Venture Fund and the Energy Investment Fund on behalf of the Scottish Government. SIB is also an investor in Epidarex Capital's Life Sciences Fund and is a participant in the Scottish-European Growth Co-Investment Programme with funding secured from the Scottish Government's Scottish Growth Scheme alongside the European Investment Fund.

SIB also provides funding into LendingCrowd, Scotland's marketplace lender providing loans to SMEs, and Maven's UK Regional Buy Out Fund (MBO) that offers financial support for management buyouts (MBOs) and helps existing management teams acquire their businesses from their owners so they can continue to flourish. SIB's team of financial readiness specialists help companies to prepare for new investment and access appropriate finance.

For press enquiries – email press.office@scotent.co.uk