Nektar Announces the Launch of Inheris Biopharma, Inc.

May 23, 2019

Key Assets will Include NKTR-181, a Novel, First-in-Class, Investigational Opioid
New Management Team Includes Jay Galeota as President & Chief Executive Officer, Dr. Joe Stauffer as Chief Medical Officer and George Shiebler as SVP & General Counsel

SAN FRANCISCO, May 23, 2019 /PRNewswire/ -- Nektar Therapeutics (Nasdaq: NKTR) today announced the formation of Inheris Biopharma, Inc., a wholly-owned subsidiary of Nektar and a CNS-focused company. Inheris will be responsible for launch preparation and commercialization for NKTR-181, a novel, first-in-class, investigational opioid molecule. NKTR-181 is currently under review with the U.S. Food and Drug Administration (FDA), with a Prescription Drug User Fee Act (PDUFA) target action date of August 29, 2019. Inheris will also lead development of several Nektar preclinical CNS assets.

Nektar also announced that Inheris has appointed Jay Galeota as President & Chief Executive Officer, Dr. Joe Stauffer as Chief Medical Officer and George Shiebler as Senior Vice President & General Counsel. The new company will be headquartered in northern New Jersey.

"We're excited to announce the formation of Inheris and the appointments of Jay, Joe and George, who we believe have the experience and track record to successfully launch and bring a novel, first-in-class medicine like NKTR-181 to patients," said Howard W. Robin, President and CEO of Nektar. "Inheris will lead all of the preparations for the potential commercialization of NKTR-181, as well as development of other CNS programs, enabling Nektar to remain focused on advancing our immuno-oncology and immunology development pipeline."

Jay Galeota brings to Inheris more than three decades of industry experience, including a 28-year tenure at Merck & Co., where he held several leadership roles including Chief Strategy & Business Development Officer and President of Emerging Businesses. Prior to that, Jay was President of Hospital and Specialty Care at Merck. He most recently served as President of G&W Laboratories, a fully-integrated specialty pharmaceutical company, overseeing all business operations including research and development, commercial, manufacturing, business development and supply chain. Jay holds a B.S. in Biology from Villanova University and is a graduate of Harvard Business School's Advanced Management Program.

"I'm pleased to take the helm at Inheris," said Jay Galeota, President and Chief Executive Officer of Inheris. "Launching a new company focused on bringing important CNS-focused innovations to patients in areas of high unmet medical need is a unique opportunity. I look forward to working with Joe and George as we continue to build out the Inheris team and prepare for the anticipated approval of NKTR-181. The potential for a novel advance in the treatment of chronic pain is particularly important right now given the opioid abuse crisis in our country."

Dr. Joe Stauffer has more than 25 years of combined clinical practice and clinical research experience. He completed his anesthesiology residency at the Johns Hopkins University Hospital and maintained an appointment as adjunct assistant professor in the Department of Anesthesiology & Critical Care Medicine through 2016. Before beginning his industry career, Joe served 10 years as a medical officer in the U.S. Navy, followed by an appointment as a medical review officer at the FDA. Prior to joining Inheris, he served as Principal and Founder of Alta Life Sciences, a pharmaceutical consulting firm. Since 2004, Joe has served as Chief Medical Officer at public and private companies, including: Ikaria, Alpharma, and Cara Therapeutics. He received his medical degree from the Philadelphia College of Osteopathic Medicine and his MBA from a joint program (TRIUM) between New York University, London School of Economics, and Hautes Etudes Commerciales School of Management in Paris.

George Shiebler has over 30 years of corporate counsel experience, and most recently served as General Counsel and Chief of Staff for G&W Laboratories. Prior to his work at G&W Laboratories, George spent 23 years at Merck & Co, where he served as Vice President and Assistant General Counsel. While at Merck, he led numerous significant deals, including Merck's acquisition of Schering Plough. George has significant experience in the structuring and negotiation of complex business transactions and has a deep expertise in pharmaceutical industry regulation. He holds a J.D. from the University of Georgia School of Law, where he was a member of the Law Review, and a B.S. in Finance and Management Information Systems from the University of Virginia.

About Nektar
Nektar Therapeutics is a research-based, development stage biopharmaceutical company whose mission is to discover and develop innovative medicines to address the unmet medical needs of patients. Our R&D pipeline of new investigational medicines includes treatments for cancer, auto-immune disease and chronic pain. We leverage Nektar's proprietary and proven chemistry platform in the discovery and design of our new therapeutic candidates. Nektar is headquartered in San Francisco, California, with additional operations in Huntsville, Alabama and Hyderabad, India. Further information about the company and its drug development programs and capabilities may be found online at http://www.nektar.com.

Forward-Looking Statements
This press release contains forward-looking statements which can be identified by words such as: "will," "may," "potential," "could," "begin," "design," "prepare" and similar references to future periods. Examples of forward-looking statements include, among

others, statements we make regarding the therapeutic potential of NKTR-181 and the potential importance of NKTR-181 in addressing opioid abuse. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, anticipated events and trends, and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements. Important factors that could cause our actual results to differ materially from those indicated in the forward-looking statements include, among others:(i) challenges and uncertainties inherent in pharmaceutical research and development, including the uncertainty of regulatory success, where the risk of failure remains high and failure can unexpectedly occur prior to regulatory approval due to lack of sufficient efficacy, safety considerations or other factors; (ii) the regulatory pathway to review and approve NKTR-181 for use in patients is subject to substantial uncertainty; (iii) regulations concerning and controlling the access to opioid-based pharmaceuticals are strict and there is no guarantee which scheduling category will apply to NKTR-181 if regulatory approval is achieved; (iv) drug manufacturing challenges which can delay or render unavailable sufficient supplies of NKTR-181; (v) changing standards of care and new regulations (including, but not limited to, standards and regulations related to health care cost containment) can affect the use NKTR-181 and commercial success following a regulatory approval; (vi) the successful commercial launch of an FDA-approved drug requires robust sales, marketing and distribution capabilities and these have not been established at the company (or its wholly owned subsidiary) and may be difficult to establish due to a number of difficulties including an inability to recruit and retain adequate numbers of effective sales and marketing personnel, and inability to obtain access to or successfully educate adequate numbers of physicians, among other reasons; (vii) Nektar's patent applications for NKTR-181 may not issue in one or more jurisdictions, patents that have issued may not be enforceable, or additional intellectual property licenses from third parties may be required in the future; (viii) the outcome of any existing or future intellectual property or other litigation related to NKTR-181 is unpredictable and could have a material adverse effect on our business; and (ix) certain other important risks and uncertainties set forth in Nektar's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on May 9, 2019. Any forward-looking statement made by us in this press release is based only on information currently available to us and speaks only as of the date on which it is made. We undertake no obligation to update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.

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