Evelo Biosciences Announces Grant of Inducement Award

July 14, 2021

CAMBRIDGE, Mass., July 14, 2021 (GLOBE NEWSWIRE) -- Evelo Biosciences, Inc. (Nasdaq: EVLO), a clinical stage biotechnology company developing a new modality of orally delivered medicines, announced that on July 12, 2021, Ayse Kocak commenced her services as Evelo's Head of International & Special Projects.

In her role, Ms. Kocak will lead the strategic planning and execution of the Company's international expansion. In addition, she will also lead the Company's COVID-19 efforts, as well as other strategic initiatives, working closely with US Commercial leadership. Ms. Kocak brings significant experience in Global Commercial Operations, product development and launch, and Sales and Marketing in the US and international markets. Ms. Kocak joins Evelo from PAAR, a strategic and advisory consulting business. Prior to PAAR, she was the CEO of Global Aesthetics Consolidated, leading expansion strategies across top global markets. She held roles of increasing responsibility across a variety of global Commercial functions at moksha8 Pharmaceuticals, Cerimon Pharmaceuticals, and Pfizer, where she held leading marketing roles at the launch and commercialization of Lipitor®, Viagra®, Norvasc®, Inspra®, Tikosyn® and Geodon® in the US, Europe, Latin America, and the Middle East and Africa.

In connection with the commencement of Ms. Kocak's employment, the Company issued to Ms. Kocak (i) an option to purchase 75,000 shares of the Company's common stock (the "First Stock Option"), (ii) an option to purchase 75,000 shares of the Company's common stock (the "Second Stock Option"), and (iii) an option to purchase 100,000 shares of the Company's common stock (the "Third Stock Option"), each with a per share exercise price of $13.90, the closing trading price of the Company's common stock on the Nasdaq Global Select Market on July 12, 2021. The First Stock Option vests (subject to Ms. Kocak's continued service to the Company through the applicable vesting dates) 25% on July 12, 2022, and in 36 substantially equal monthly installments over the three years thereafter and has a ten-year term. The Second Stock Option vests upon the approval (including emergency use authorization) by the U.S. Food and Drug Administration, the UK Medicines and Healthcare products Regulatory Agency, the European Medicines Agency, the China National Medical Products Administration, the Japanese Pharmaceuticals and Medical Devices Agency or another significant regulatory agency (as determined by the Compensation Committee of the Company's Board of Directors) of a Company product candidate for commercial sales, marketing and distribution as a therapeutic for the treatment of patients with COVID-19 and has a ten-year term. The Third Stock Option vests upon the commencement by the Company of commercial sales in the United States, the United Kingdom, the European Union, China, Japan or another significant market (as determined by the Compensation Committee) of a Company product as a therapeutic for the treatment of patients with COVID-19 and has a ten-year term. The three stock options were granted pursuant to the Company's 2021 Employment Inducement Award Plan and were approved by the Compensation Committee of the Company's Board of Directors. The three stock options were granted under Rule 5635(c)(4) of the Nasdaq Listing Rules as an inducement material to Ms. Kocak's entering into employment with the Company.

About Evelo Biosciences
Evelo Biosciences is a clinical stage biotechnology company developing orally delivered medicines that act on the small intestinal axis, SINTAX™, to have systemic therapeutic effects. SINTAX plays a central role in governing the immune, metabolic, and neurological systems.

Evelo currently has four product candidates in development: EDP1815, EDP1867, and EDP2939 for the treatment of inflammatory diseases and EDP1908 for the treatment of cancer. Evelo is advancing additional product candidates in other disease areas.

For more information, please visit www.evelobio.com and engage with Evelo on LinkedIn.

Forward Looking Statements
This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements contained in this press release that do not relate to matters of historical fact should be considered forward-looking statements, including statements concerning the development of our product candidates and the promise and potential impact of our product candidates.

These forward-looking statements are based on management's current expectations. These statements are neither promises nor guarantees, but involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements, including, but not limited to, the following: *the impact of the COVID-19 pandemic on our operations, including our preclinical studies and clinical trials, and the continuity of our business*; *we have incurred significant losses, are not currently profitable and may never become profitable; our need for additional funding; our limited operating history; our unproven approach to therapeutic intervention; the lengthy, expensive, and uncertain process of clinical drug development, including potential delays in regulatory approval; our reliance on third parties and collaborators to expand our microbial library, conduct our clinical trials, manufacture our product candidates, and develop and commercialize our product candidates, if approved; our lack of experience in manufacturing, selling, marketing, and distributing our product candidates; failure to compete successfully against other drug companies; protection of our proprietary technology and the confidentiality of our trade secrets; potential lawsuits for, or claims of, infringement of third-party intellectual property or challenges to the ownership of our intellectual property; our patents being found invalid or unenforceable; risks associated with international operations; our ability to retain key personnel and to manage our growth; the potential volatility of our common stock; our management and principal stockholders have the ability to control or significantly influence our business; costs and resources of operating as a public company; unfavorable or no analyst research or reports; and securities class action litigation against us.*

These and other important factors discussed under the caption "Risk Factors" in our Quarterly Report on Form 10-Q for the three months ended March 31, 2021 and our other reports filed with the SEC could cause actual results to differ materially from those indicated by the forward-looking statements made in this press release. Any such forward-looking statements represent management's estimates as of the date of this press release. While we may elect to update such forward-looking statements at some point in the future, except as required by law, we disclaim any obligation to do so, even if subsequent events cause our views to change. These forward-looking statements should not be relied upon as representing our views as of any date subsequent to the date of this press release.

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