PanOptica Secures $11 Million to Advance Clinical Development of PAN-90806 - a Novel, Topical Anti-VEGF Eye Drop

Series B Financing to Enable Initiation of Phase 1/2 Clinical Trial of Next-Generation Formulation in Patients with Wet Age-Related Macular Degeneration (AMD)

BERNARDSVILLE, N.J — October 6, 2017 — PanOptica, Inc., a private biopharmaceutical company focused on developing innovative ophthalmology therapies, today announced that it has secured $11 million in a Series B financing. These funds will enable clinical advancement of PAN-90806, a small molecule anti-vascular endothelial growth factor (anti-VEGF) eye drop for the treatment of neovascular eye diseases. The additional financing, provided by Third Rock Ventures and SV Health Investors (formerly SV Life Sciences), will enable a new Phase 1/2 study of a next-generation formulation of PAN-90806 as monotherapy for up to three months of treatment in patients with neovascular age-related macular degeneration (wet AMD).

"The additional Series B financing reflects our investors' confidence in the potential of our new, advanced generation formulation of topical PAN-90806 and the direction of our clinical program for this promising compound," said Paul G. Chaney, president and chief executive officer of PanOptica. "We remain focused on initiating a Phase 1/2 trial early next year, as the study will help us define the optimal dose, regimen, and regulatory path for what we hope will be the first effective topical treatment for wet AMD."

"We are excited to continue our support of PanOptica as the development of PAN-90806 continues to progress," commented Kevin Starr, partner at Third Rock Ventures. "With its demonstrated potency and selectivity, PAN-90806 appears to have potential as an effective topical eye drop treatment for back-of-the-eye diseases such as wet AMD and diabetic retinopathy. This next-generation formulation holds promise for enhanced tolerability across an expanded dose range. We look forward to contributing to the continued success of PanOptica as the company pursues its mission of fulfilling the needs of patients living with serious retinal diseases."

Currently available treatments are effective at slowing vision loss, and may improve vision for some patients, but require careful follow up and frequent, chronic intraocular injections for many patients in order to optimize vision outcomes.

At the American Academy of Ophthalmology (AAO) Annual Meeting in October 2016, PanOptica presented[1] positive initial data from a Phase 1/2 trial of its original formulation of PAN-90806 as monotherapy in 20 treatment-naïve patients with wet AMD, and 10 patients as adjunctive (maintenance) therapy following a single injection of Lucentis (ranibizumab) over up to three months of treatment. An independent panel of retina experts confirmed a positive biological response to topical PAN-90806 in approximately 45-50% of treated patients, including outcomes such as vascular leakage, lesion morphology, and vision. Only two patients in the adjunctive therapy arm required rescue treatment with standard of care. No treatment-related systemic adverse events (AEs) were reported. Local AEs were limited to ocular surface findings

[1] American Academy of Ophthalmology (AAO) Annual Meeting, October 2016

at the higher doses (most commonly punctate keratopathy) that were reversible upon discontinuation of treatment.

PanOptica has since developed an improved next generation suspension formulation of PAN-90806, which demonstrated reduced corneal concentrations and a reduced risk of adverse corneal findings in exploratory non-clinical pharmacokinetic and toxicology studies, while maintaining excellent dose-dependent target tissue distribution to the central choroid and central retina.

PAN-90806 has the potential to reduce injection burden, representing a significant opportunity to lower treatment discontinuation rates and slow underlying disease progression through improved patient comfort, safety, acceptance, and adherence, especially in the chronic management phase of treatment.

“Currently, the only treatment options that we have for patients with wet AMD is through injections into the eye,” said Dr. Scott Cousins, M.D., the Robert Machemer, M.D. Professor of Ophthalmology and Immunology, Vice Chair for Research, and Director of the Duke Center for Macular Diseases at Duke Eye Center. “There is a need for a less invasive, less frequent treatment options. A topical eye drop has the potential to revolutionize treatment for serious ophthalmic diseases.”

About PAN-90806
PAN-90806 is a potent and selective inhibitor of VEGF receptor signaling. VEGF is a protein that plays a critical role in angiogenesis (the formation of new blood vessels) and increased permeability (leakage from blood vessels), two pathological processes that contribute to the vision loss associated with wet AMD. In pre-clinical research using validated ocular angiogenesis models, topically administered PAN-90806 in the form of an eye drop suppressed the formation of new blood vessels. In non-clinical pharmacokinetic studies, topical administration of PAN-90806 achieved significant and sustained levels in the retina and choroid of multiple species, supporting further investigation of PAN-90806.

About PanOptica
PanOptica, Inc., is a private biopharmaceutical company focused on developing innovative ophthalmology therapies. Investors include Third Rock Ventures, Novo Ventures, and SV Life Sciences. The company was co-founded by Paul Chaney, past president of OSI-Eyetech, and Martin Wax, MD, a noted academic clinician scientist working in glaucoma, and most recently vice president of research and development and head of ophthalmology discovery and pre-clinical development at Alcon Labs, Inc. The company seeks early-stage assets translated from other diseases and develops select candidates through human clinical proof of concept. For more information, please visit www.panopticapharma.com.

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