Pipeline Therapeutics Completes $30 Million Series B Financing

- Proceeds to advance PIPE-505 in hearing loss and additional neuroregenerative programs focused on synaptogenesis, remyelination and axonal repair -

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SAN DIEGO--(BUSINESS WIRE)--Pipeline Therapeutics, a biopharmaceutical company focused on the development and commercialization of first-in-class small molecules for neuroregeneration, today announced it has raised $30 million in a Series B financing led by new investor Sectoral Asset Management. Founding investor Versant Ventures also participated, and was joined by new investors Cleva Pharma Capital (a Brace Pharma affiliate), RBV Capital and Hadean Ventures.

In conjunction with the financing, Stefan Larson, Ph.D., and Todd Brady joined Pipeline Therapeutics’ board of directors. Dr. Larson is a partner at Sectoral Asset Management and Mr. Brady is Director of Finance and Investments at Brace Pharma Capital. They join Versant Managing Director Clare Ozawa, Ph.D., Versant Partner Paul Grayson and Pipeline Therapeutics’ President and CEO Carmine Stengone.

Pipeline Therapeutics plans to use the proceeds to advance its portfolio of regenerative therapies that promote functional recovery in multiple neurological diseases.

Pipeline Therapeutics’ lead candidate, PIPE-505, is entering Phase 1b/2a testing to treat mild-to-moderate sensorineural hearing loss (SNHL) associated with cochlear synaptopathy. PIPE-505 is uniquely positioned to treat this patient population as it can have an impact on both audibility and speech intelligibility, addressing two separate pathologies associated with hearing loss.

Pipeline Therapeutics is also advancing PIPE-307, a selective M1 receptor antagonist, to treat multiple sclerosis and other demyelinating disorders. PIPE-307 has the ability to regenerate myelin around the axon, thus addressing the hallmark of multiple sclerosis, and has the potential to address a significant unmet need in this patient population.

“This investment validates our approach to developing novel neuroregenerative therapeutics for indications with high unmet medical need,” said Mr. Stengone. “We thank our new and existing investors for the capital that will advance multiple programs into the clinic.”

“As the founding investor in Pipeline Therapeutics, we are excited to see the company complete this milestone financing,” said Dr. Ozawa. “Pipeline is pioneering a new approach to neuroregenerative science, which holds substantial promise for a number of unserved or underserved indications, including the major unmet medical need of hearing loss.”

About Pipeline Therapeutics

Pipeline Therapeutics is a biopharmaceutical company focused on the development and commercialization of first-in-class small molecules for neuroregeneration, including synaptogenesis, remyelination and axonal repair. The company’s lead product candidate, PIPE-505, is a small molecule gamma secretase inhibitor (GSI) to treat mild-to-
moderate sensorineural hearing loss (SNHL) associated with cochlear synaptopathy. A Phase 1b/2a study of PIPE-505 in SNHL is expected to begin in 4Q 2019, with topline results expected in late 2020. The company also has a portfolio of earlier stage programs, including PIPE-307, focused on remyelination and axonal repair to address a range of neurological disorders, including multiple sclerosis. For more information, please visit www.pipelinetherapeutics.com.

Contacts

**Company Contact:**
Carmine Stengone
President and CEO
info@pipelinetherapeutics.com

**Investor Contact:**
Laurence Watts
619-916-7620
laurence@gilmartinir.com