

OrphoMed Secures \$39 Million Series A Financing Round

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OrphoMed, Inc. →

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Company to accelerate clinical development of peripherally acting dimer ORP-101 for treatment of IBS-D

SAN FRANCISCO, May 24, 2017 /PRNewswire/ -- OrphoMed, Inc., a clinical stage biopharmaceutical company developing first-in-class dimer therapies, today announced the completion of a \$39 million Series A financing. The round was led by New Enterprise Associates (NEA), and co-led by existing seed investor Takeda Ventures, Inc., with participation from other prior investors: Pappas Capital, through its newest fund, Pappas Ventures V; Relativity Healthcare Partners and the Mario Family Fund. In conjunction with the financing, Frank Torti, MD, Partner at NEA, and Arthur Pappas, Managing Partner of Pappas Capital, will join the company's board alongside existing directors Michael Martin, PhD, Global Head Takeda Ventures, Inc.; Kenneth Widder, MD, Executive Chairman; and Nikhilesh Singh, PhD, Chief Executive Officer.

The capital will be used to advance the clinical development of OrphoMed's lead candidate, ORP-101, for the treatment of irritable bowel syndrome with diarrhea (IBS-D).

ORP-101 is a metabolically stable, partial agonist of the μ opioid receptor and antagonist of the κ opioid receptor that is designed to mitigate both abdominal pain due to intestinal hyperalgesia and gastric hypermotility associated with IBS-D, without CNS penetration. In multiple clinically relevant animal models ORP-101 has consistently suppressed general and colon-specific hyperalgesic signals. Importantly, ORP-101 has been shown to not cause

constriction of the sphincter of Oddi, which in turn could result in acute pancreatitis, as may occur with other μ agonists. ORP-101 is a proprietary molecule fully owned by OrphoMed, with no downstream royalties or milestone payments.

Frank Torti, MD, Partner at NEA stated, "This is an exciting opportunity driven by a lead candidate with a proven mechanism of action, a large underserved patient population, and a results-oriented team with recent drug development success. We are thrilled to partner with the OrphoMed team as they work to bring ORP-101 to patients in need."

Nikhilesh Singh, PhD, OrphoMed cofounder and Chief Executive Officer, reiterated, "We are committed to developing drugs for gastrointestinal and hepatic conditions where there is a need for more efficacious and safer treatments. We are excited by the investment from top-tier venture groups, as it validates the company's technology and strategy to pursue ORP-101, which has the potential to be a superior treatment alternative to existing therapies for IBS-D."

Anthony Lembo, MD, Director of GI Motility and Functional Bowel Disorders Program at Beth Israel Deaconess Medical Center and Associate Professor of Medicine at Harvard Medical School, believes that the pharmacological features of ORP-101 could position the molecule as a novel therapy for IBS-D, where there is an acute need for safe and efficacious treatments.

"There are only a couple of drugs approved for the treatment of IBS-D, each with its own specific limitations, either regarding safety or efficacy," stated Kenneth Widder, MD, OrphoMed's Executive Chairman. "There still are a significant number of patients who cannot be treated with existing approved drugs. As such, we feel there is a large opportunity to bring forward a drug which circumvents the limitations of those drugs currently on the market."

About Irritable Bowel Syndrome with Diarrhea (IBS-D)

IBS-D is a multifactorial, symptom-based disorder marked by recurrent abdominal pain or discomfort and altered bowel function. It affects between 10 to 20 percent of people in the developed world, about one third of whom have IBS associated with diarrhea. IBS-D is more prevalent in women than men (14% vs. 9%). About 57% of patients experience symptoms daily, 25% weekly and 14% monthly. The disease affects daily living, work and leisure. The cost of medical care for IBS patients is approximately 40% more than for the population in general.

IBS patients account for approximately 20% of the secondary care burden of GI physicians' outpatient work. The FDA has recently stated that there is a great medical need for new therapies for IBS.

About OrphoMed, Inc.

OrphoMed is a San Francisco Bay Area based clinical stage pharmaceutical company focused on the development of novel first-in-class dimer conjugates with superior therapeutic profiles. The company is leveraging its proprietary dimer platform technology to address the issues of visceral hypersensitivity and hypermotility in functional gastrointestinal disorders. OrphoMed dimers are protected by composition of matter and method of use patents. OrphoMed is also exploring therapeutic applications and partnering opportunities for other dimer conjugates in its pipeline. For more information please visit www.orphomed.com

About NEA

New Enterprise Associates, Inc. (NEA) is a global venture capital firm focused on helping entrepreneurs build transformational businesses across multiple stages, sectors and geographies. With over \$19 billion in cumulative committed capital since the firm's founding in 1977, NEA invests in technology and healthcare companies at all stages in a company's lifecycle, from seed stage through IPO. The firm's long track record of successful investing includes more than 210 portfolio company IPOs and more than 360 acquisitions. For additional information, visit www.nea.com

About Takeda Ventures, Inc.

Takeda Ventures, Inc. (TVI) is the corporate venture capital group of Takeda Pharmaceutical Company Limited (Takeda), and was founded in 2001 with the vision of generating disruptive technologies and therapeutic solutions for patients through venture-based partnerships. TVI's mission is to create strategic growth opportunities for Takeda by building, managing and investing in innovation-based companies. TVI partners with academic innovators, entrepreneurs and venture investors to create and nurture a portfolio of companies in an array of therapeutic areas, including oncology, gastroenterology and central nervous system disorders. For additional information, please visit www.takedaventures.com

About Pappas Capital

Founded in 1994, Pappas Capital invests exclusively in the life sciences sector – biotechnology, biopharmaceuticals, drug delivery, medical devices and related ventures – across the United States and Canada. Since 2014, three portfolio companies founded or co-founded by Pappas have been sold to large pharmaceutical companies: CoLucid Pharmaceuticals, bought in March 2017 by Eli Lilly for nearly \$1 billion; Afferent Pharmaceuticals, for which Merck paid \$500 million upfront and \$750 million in milestones; and Lumena Pharmaceuticals, purchased by Shire for more than \$300 million. For additional information, visit www.pappas-capital.com

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