



Creating a portfolio of ophthalmic biopharmaceuticals

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Co-founders with complementary experience backed by SV Life Sciences

- **Paul G. Chaney, President & CEO**
 - Former President OSI Eyetech; COO, Eyetech Pharmaceuticals; VP Global Ophthalmology Business, Pharmacia Inc.
 - Chairman, Eyegate Pharma (ocular delivery) & Director, Lux BioSciences
 - 28 years in pharma, biotech, device industries, 13 years in ophthalmics
 - Launches of Xalatan / Xalcom and Macugen
 - Pharma experience in metabolic disease, infectious disease, inflammation, cardiovascular disease
- **Martin B. Wax, MD, Chief Medical Officer & EVP Product Development**
 - Former VP R&D Alcon Laboratories, head of Research and Preclinical Sciences
 - Responsible for the creation and development of compounds for the therapeutic areas of glaucoma, retina, allergy, dry eye, inflammation and anti-infectives
 - 6 years of industry experience (Pharmacia/Pfizer, Alcon)
 - Internationally recognized glaucoma clinician-scientist with over 200 publications
 - Serves on several national and international Scientific Advisory Committees, Editorial Boards and Foundations



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SVLS approach to building companies: Start with management

- **Build companies around management teams with a solid plan.**
- **Fund management team to search, identify, prioritize, and negotiate rights to quality differentiated assets.**
- **Syndicate once assets are selected for development.**
- **Build management commitment from the ground up:**
 - From asset selection all the way through execution.



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Significant progress to date

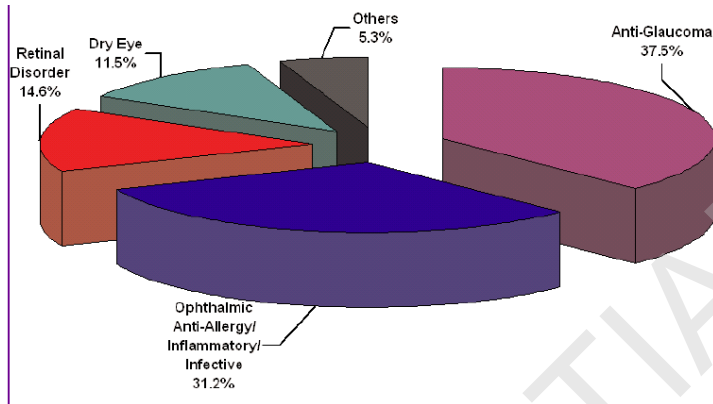
Create a coherent portfolio of 2-4 high value assets to treat major ophthalmic diseases

- **Feb 9: Seed round approved**
- **Feb 27: Incorporation**
- **Mar 16: Begin operations**
- **Mar – July:**
 - Reviewed ~60-70 assets from ~40 companies
 - Prioritized ~12 opportunities
 - 4 lead candidates selected
 - 2-3 others in active discussion
- **August: Funding secured to execute evaluation studies**
- **August-September: Initiate evaluation workplans**



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Target the major categories: Global ophthalmology market



Source: visiongain and IMS Health, 2008

Search strategy identified promising available assets

- **Focus on large commercial markets with unmet need**
 - Dry Eye Syndrome
 - Wet AMD
 - Corneal pain and discomfort
 - Glaucoma
 - Allergy and Inflammation
 - Dry AMD
- **Cast a wide net through multiple contacts and sources**
- **Look for idle assets initially developed for other indications**
- **Identify solid leads against well-characterized targets**
 - Differentiated by mechanism, efficacy, delivery
 - Complete pharmacology and systemic tox packages
 - IND or near-IND stage for other indications (usually systemic)
 - Attractive physico-chemical properties for ophthalmic formulation
 - Attractive, expandable patent portfolio
- **Assume 50% attrition rate**

Four differentiated leads in complementary indications

All have substantial pharma/tox packages for non-ophthalmic indications

- **Dry eye syndrome**
- **Neovascular AMD, DME, Diabetic Retinopathy**
- **Ocular pain, inflammation, discomfort**
- **Glaucoma**



Building a compelling portfolio: Next steps

September-December

- Implement evaluation workplans
- Pursue alternative / back-up programs

December-January

- Final selection of leads for full development

January-February

- Complete License Agreements
- Syndicate Series A



Anticipating Series A Assumptions

- **First license January - February**
- **3 assets advance to development**
 - 1-2 assets from current leads
 - 1-2 additional from assets under discussion
- **Programs mature to POC by mid-2011**
- **Slow, lean infrastructure build**
- **Hires may include clinical, medical, finance, project management (Total FTE 10-12)**



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Positioned for transformation

- **Differentiated assets positioned in largest, most attractive markets:**
 - Four leads: Wet AMD, Dry Eye, Cornea, Glaucoma
 - Active discussions on alternative/back-up programs
- **Attrition probable over next 6 months**
 - Pursue other opportunities in parallel
 - Assume 5-6 leads required to select 3 development candidates
- **Select most promising leads for development**
- **Execute agreements and plans Jan/Feb 2010**
- **Prepare for Series A financing**
 - Assume 3 assets to develop to PoC by mid-2011
 - Assume 2-3 back-up candidates under evaluation
- **Lean, virtual operation (no hires) until Series A financing**

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