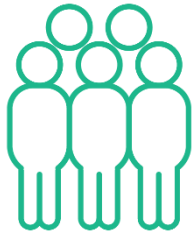
Apnimed

DRUG THERAPY FOR **OBSTRUCTIVE SLEEP APNEA**

January 2023

Apnimed executive summary: Unique opportunity in market without therapeutics

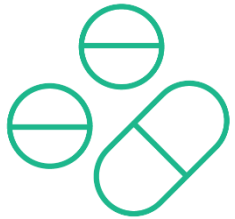


Very large market with no well-tolerated therapy

Current standard of care (CPAP) addresses the anatomical issue but not the underlying neuromuscular cause of OSA

Our drug AD109 addresses the neuromuscular defect

AD109 is well-tolerated by patients



An unusual opportunity

A once-daily oral therapeutic to capture a substantial market share

AD109 Phase 2 trials concluded with demonstrated efficacy and safety

Expect prompt entry to Phase 3

Potential path to approval in ~ 3 years

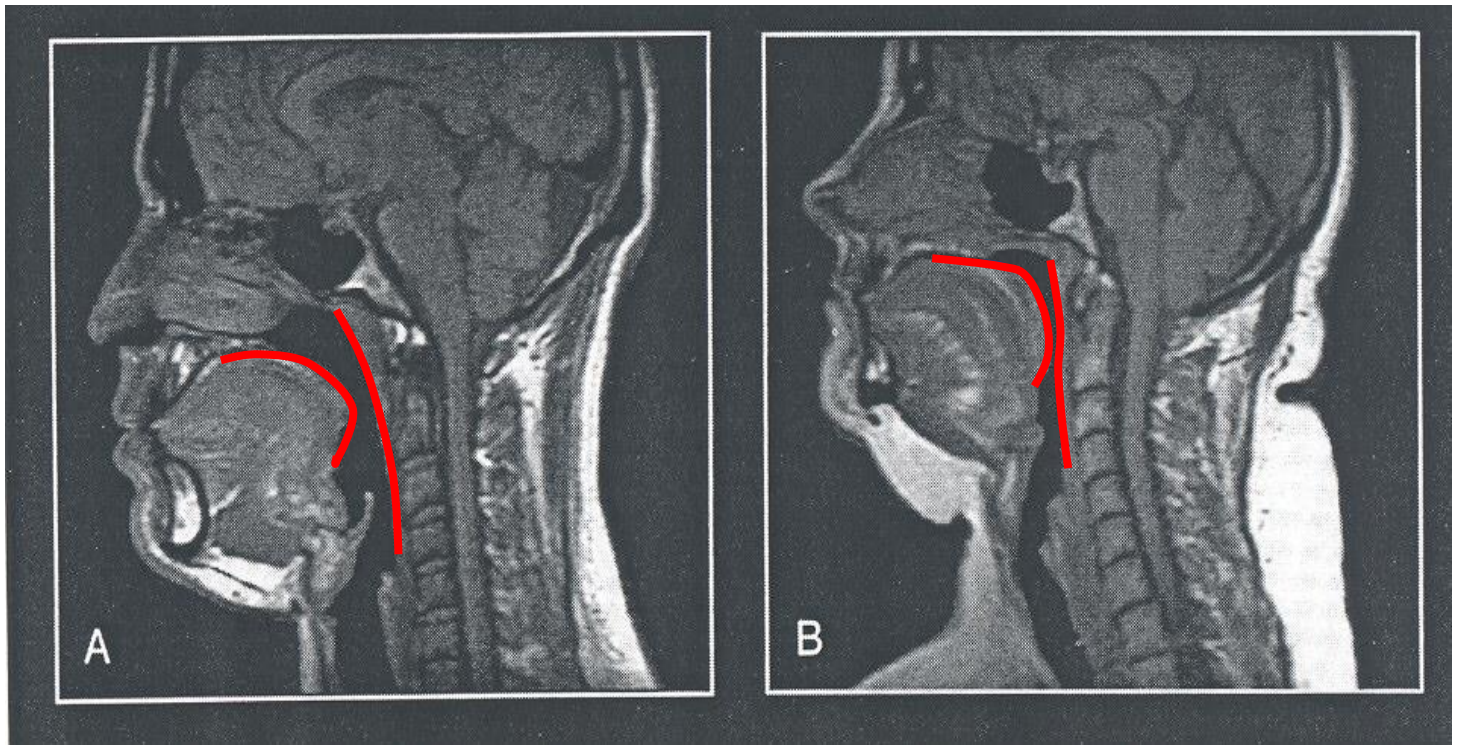
NDA filing anticipated

1H 2025

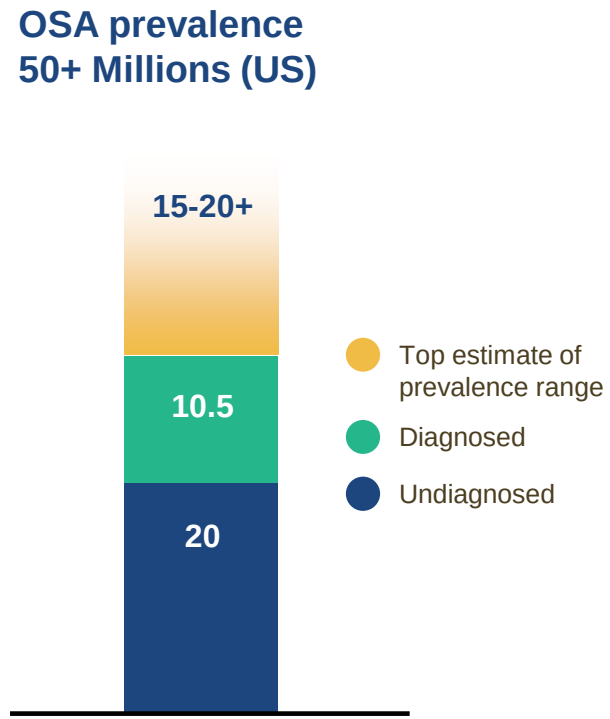
Obstructive Sleep Apnea (OSA) is a major clinical disorder (>50M in the US) with huge unmet need

NORMAL CONTROL

OSA PATIENT



Richard Schwab, Clinics in Chest Medicine, 1998



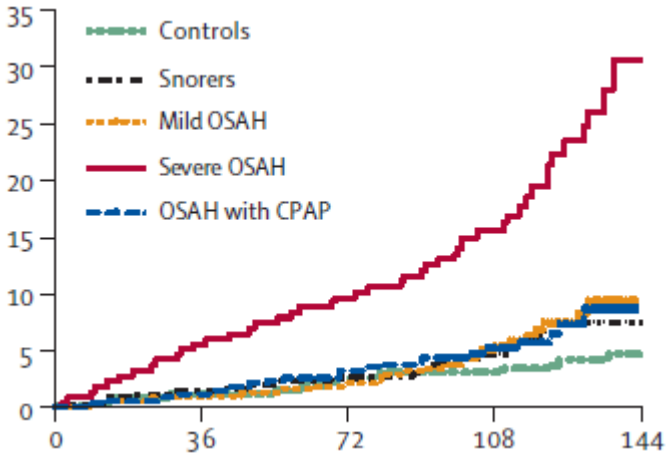
National Healthy Sleep Awareness Project, Young et al., 2009, and Frost and Sullivan, AASM, 2016, Benjafield AV et al 2019

Patients with OSA are acutely symptomatic and at risk for major sequelae over time

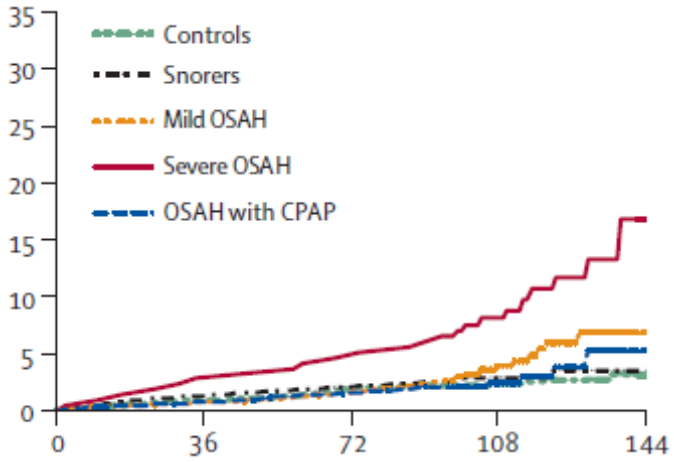
Common acute manifestations of OSA

- Daytime sleepiness
- Fatigue
- Cognitive impairment
- Loud snoring
- Dysphoria
- Auto accidents
- Workplace accidents
- Etc.

CUMULATIVE INCIDENCE OF NON-FATAL CVS EVENTS (%)



CUMULATIVE INCIDENCE OF FATAL CVS EVENTS (%)



Over a 12-year follow-up, patients with OSA, especially severe OSA, have a markedly increased incidence of both cardiovascular events with only partial mitigation by a compliant use of CPAP

OSA and Cardiovascular Outcomes Marin *et al* – Lancet 2005; 365: 1046–53
OSA and CD: role of the metabolic syndrome and its components. Jean-Louis G, *et al* – J Clin Sleep Med. 2008;4(3):261-272.

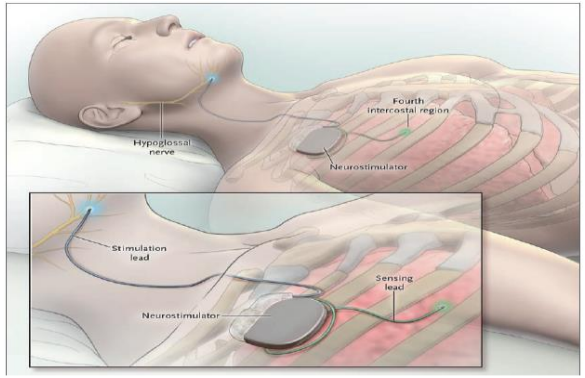
CPAP therapy is relatively unchanged over nearly 40 years: A tightly-fitted mask connected to a pump

STANDARD OF CARE THERAPY

1985

Today

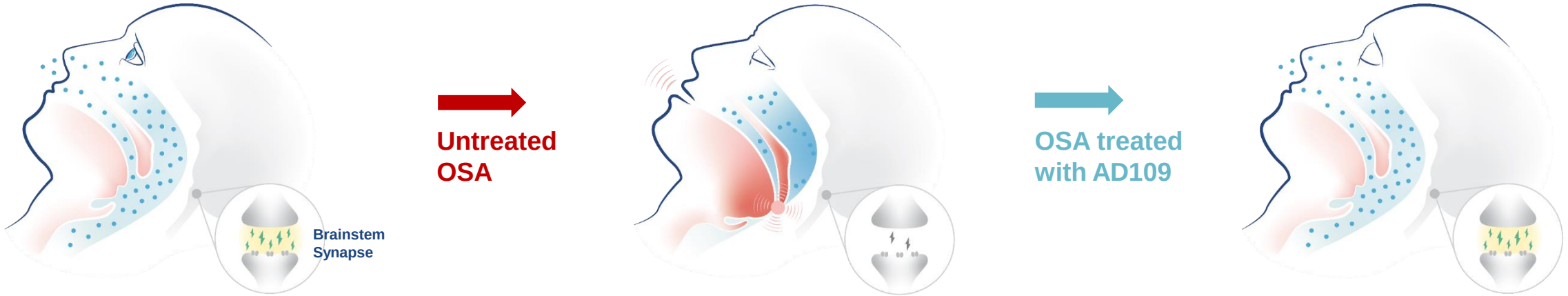
OTHER COMMERCIALLY AVAILABLE TREATMENTS FOR POPULATIONS WITH STRICT ELIGIBLITY CRITERIA



Strollo PJ et al. N Engl J Med 2014;370:139-49

All current treatments present issues related to patient tolerance, eligibility and/or cost.

AD109 targets OSA pathophysiology by improving sleep-related reductions in upper airway muscle tone



Wake: Full airway muscle tone

CNS drives airway muscles while awake; no obstruction, even lying down

Sleep: Low tone → airway collapse

Low CNS drive to airway dilator muscles; combined with small/collapsible airway often related to obesity

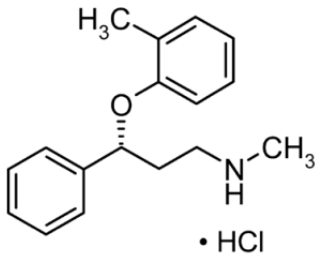
Airway muscle firing improves, reducing obstructions

AD109 is believed to stimulate increased firing of airway muscles (at the CNS level) and to improve airflow and oxygenation

Clinical mechanism of action explored in Taranto-Montemurro, L et al. Am J Respir Crit Care Med, 2019, 199:1267-76

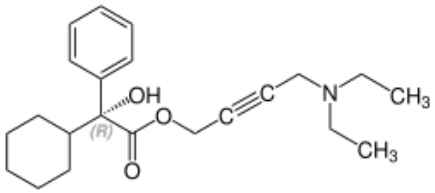
Our lead program, AD109 combines atomoxetine and a novel antimuscarinic, aroxybutynin

ATOMOXETINE



Selective Norepinephrine reuptake inhibitor, promotes adrenergic tone leading to muscle activation

AROXYBUTYNIN



Anti-muscarinic NCE, further stabilizes the upper airway and sleep

Novel AD109 co-formulation of atomoxetine + aroxybutynin

Lead program AD109 has shown consistent efficacy on obstruction and oxygen levels in prior Ph2 trials

- Three prior Phase 2 trials of atomoxetine 75mg/aroxybutynin 2.5mg ranging from 1 night to 28 nights
- Rapid onset of action with ~50% improvement in AHI/HB after one night
- Persistent duration of response with no decrement at 28 nights
- Response across the spectrum of OSA, AHI 10-45

PROTOCOL	SAMPLE SIZE	DOSING DURATION	SIGNIFICANCE VS PLACEBO
APC-003	n=60 crossover	1 night	p=0.001
APC-003 OLE	n=37 open label extension	30 nights	p=0.03
APC-004	n=31 crossover	1 night	p<0.0001

APC-003 results from post-hoc analysis of n=45/60 subgroup with baseline AHI4%<45

MARIPOSA trial: Highly successful trial in ~300 patients, 1 month

MARIPOSA

STUDY RATIONALE

Confirm efficacy over 1 month for AD 109

Additional dose-finding to confirm Phase 3 dosing

Confirm endpoints for Phase 3: AHI and PROMIS for symptoms

KEY TAKEAWAYS

Robustly positive objective and subjective efficacy for AD109 at 1 month

- Primary Endpoint met: AHI improvement
- Key Secondary Endpoints met: Improvement of OSA symptoms (PROMIS)
- Measures of sleep quality confirm clinical benefit

Confirmed both drugs required for efficacy and safety, Meets FDA "combination rule"

- Atomoxetine alone disturbs sleep, poorly tolerated
- Aroxybutynin *required* for improved OSA symptoms, stable sleep

Confirmed Phase 3 dosing: Atomoxetine 75mg/Aroxy 2.5mg is effective and better tolerated

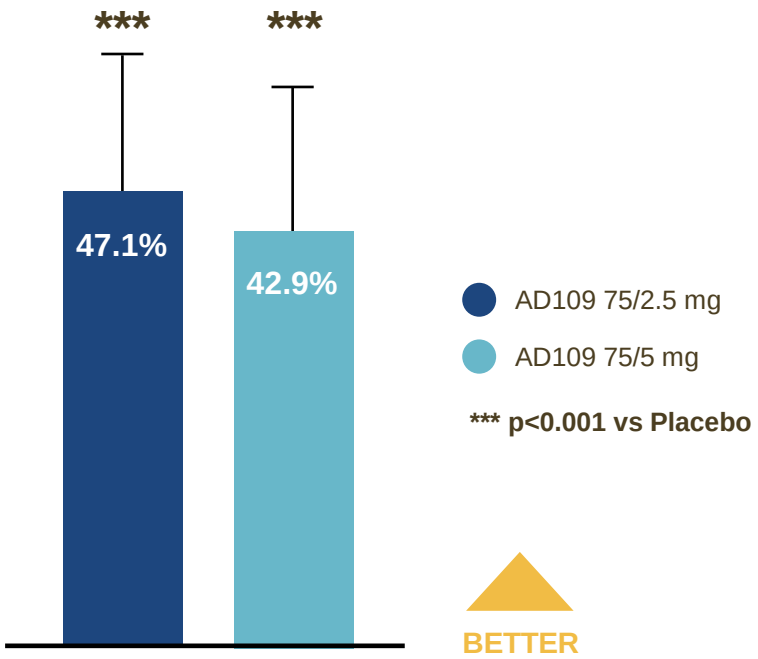
- AD109: Both aroxy 2.5 and 5mg effective, lower dose superior with fewer AEs

AD109 (ato 75mg/aroxy 2.5mg) safe and well tolerated

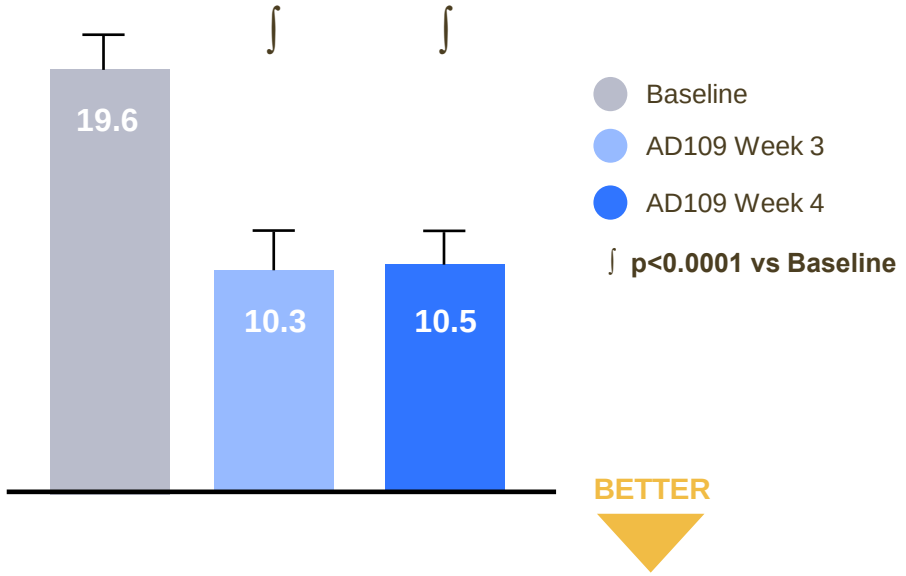
- All AD109 AEs mild or moderate
- No Serious AEs, deaths or unexpected AEs

AD109 robustly positive for improved airway obstruction

% REDUCTION IN APNEA-HYPOPNEA INDEX (AHI) AFTER 4 WEEKS
RELATIVE TO PLACEBOc



APNEA-HYPOPNEA INDEX (AHI) FOR BOTH AD109 DOSES AT BASELINE THROUGH 4 WEEKS



AD109 vs placebo for AHI (p<0.001), with >40% reduction in AHI

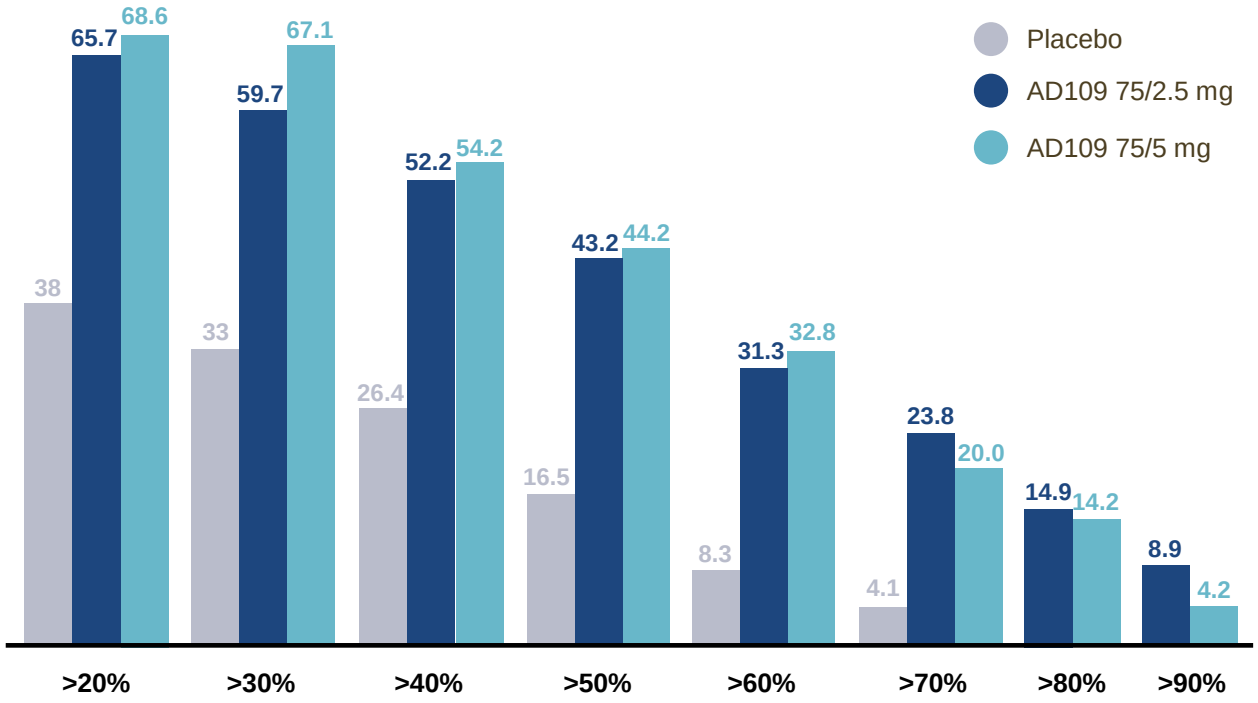
Stable efficacy over 1 month: reassuring for success over longer 3 month Ph3 duration

Left figure from transformed ANCOVA model and shows means (95% CI), right figure shows median (SEmedian)

Most AD109 patients had robust reductions in AHI4 with 41% achieving a full clinical response

Apnea-Hypopnea Index (AHI4) Responder Analysis

PROPORTION OF PATIENTS REDUCTION IN AHI (%)

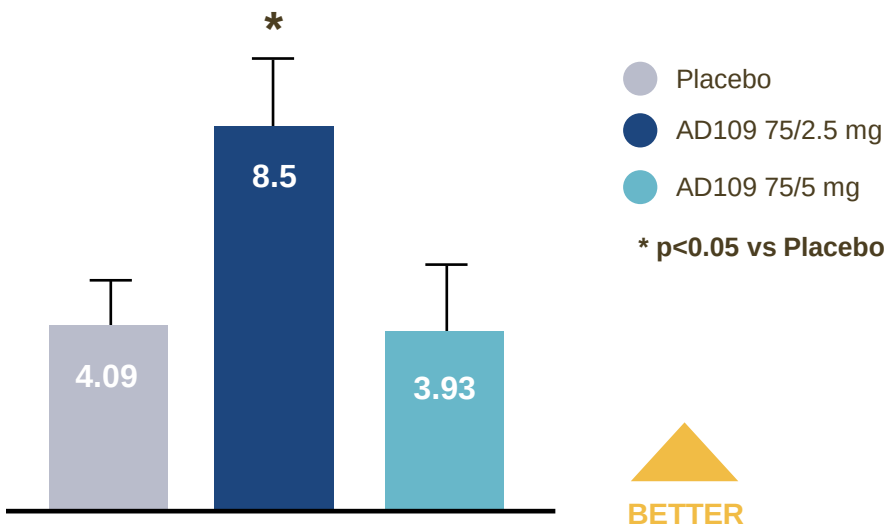


41% of all patients on the AD109 75/2.5 mg dose saw their AHI4 reduced below 10

At that level of AHI reduction, no further Rx may be needed in the clinical setting.

AD109 improves OSA symptoms; PROMIS-Fatigue a good choice for Ph3

PROMIS – FATIGUE (T-SCORE)
REDUCTION RELATIVE TO BASELINE



Measurement of OSA symptoms important to patients

- Fatigue can be a debilitating symptom of OSA
- PROMIS-Fatigue is a validated scale that assesses
  - Experience of fatigue
  - Interference of fatigue with daily activities
- AD109 demonstrated a statistically significant signal with a clinically-meaningful effect size
- Successful dose finding showed an apparent difference of efficacy-tolerability balance across doses

Data represent means (SEM)

AD109 safety and tolerability in MARIPOSA

COMMON ADVERSE EVENTS % (≥3 PATIENTS)

n	75/5 mg [*41*]	75/2.5 mg [*42*]	75 mg ato [*63*]	Pbo [*63*]
dry mouth	59	24	27	5
urinary impairment (any)	22	7	22	0
insomnia (any)	22	26	37	3
constipation	12	0	3	3
nausea	10	12	6	3
decreased appetite	10	5	8	2
feeling jittery	7	5	3	2
somnolence	7	2	0	2
Discontinuations from AEs (%)	*12*	*12*	*19*	*2*

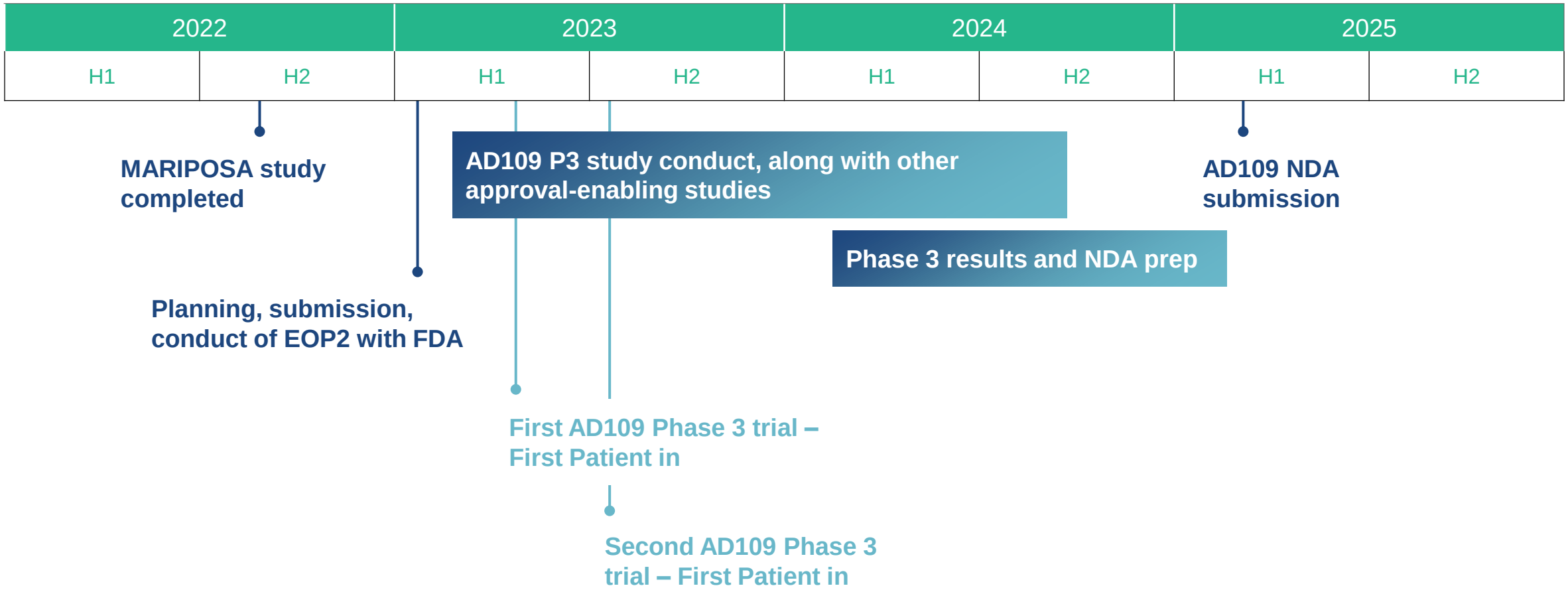
All study AEs were mild or moderate, except for two severe AEs experienced by patients taking 75mg atomoxetine alone – "nausea" and "migraine"

No Serious Adverse Events (SAEs); no new or unexpected AEs

Lower dose AD109 associated with fewer AEs than high dose, or atomoxetine alone

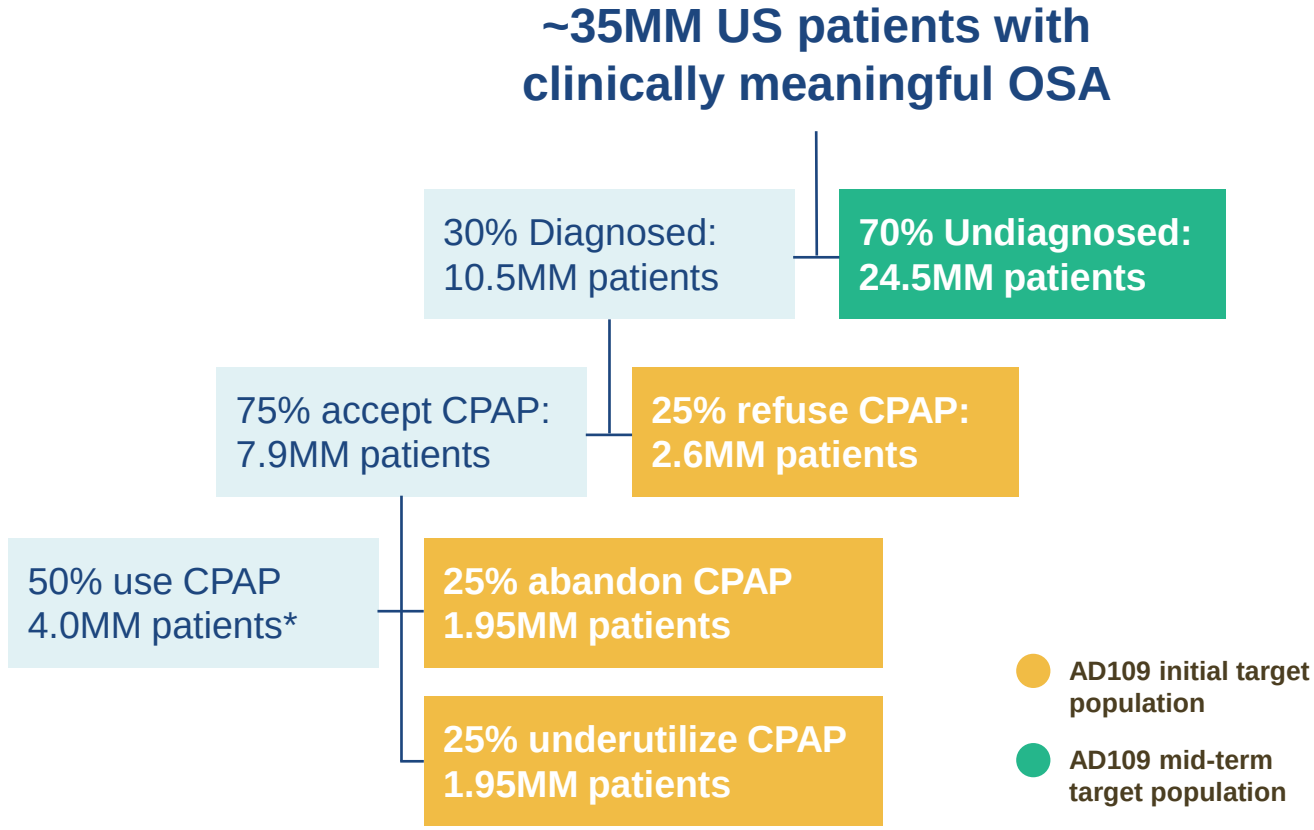
AD109 lower dose well tolerated by most patients

AD109 path to NDA filing



Significant commercial potential in large US and global market

- Initial marketing efforts focus on 6,000 US sleep clinicians
- Reasonable pricing could drive strong market access
- Clinician research indicates enthusiasm for new modality
- Amenable to therapeutic trial unlike other therapies



Clinically meaningful OSA is defined as patients with an AHI >15, or AHI>5 with symptoms. An additional 2MM patients have less severe OSA diagnoses and present potential spillover revenue opportunity
*McEvoy RD et al. N Engl J Med 2016; 375:919-931 and Weaver TE, Grunstein RR. Proc Am Thorac Soc. 2008 Feb 15;5(2):173-8

Apnimed has a strong financing history backed by experienced investors

Completed Series C
2022

$142.25mm round
Led by Sectoral Asset Management and Alpha Wave Ventures

Also participating: existing investors (Morningside Ventures, Seligman Investments, and Tao Capital Partners) and several other new investors

Overall Equity Raised

$208mm raised
Since inception | June 2018

Transformational opportunity for the first, once-daily oral drug for OSA

OSA is a serious, high-prevalence condition associated with reduced quality of life, cardiovascular disease, and early mortality; no drug therapy available

AD109 has shown excellent efficacy and safety in multiple Phase 2 trials

Phase 3 trials will initiate early 2023 with likely NDA filing mid-2025

Experienced management team and investor syndicate


Apnimed