PepGen Announces Closing of $112.5 Million Crossover Financing to Advance Transformative Therapies for Neuromuscular Diseases

August 5, 2021

Proceeds to support expansion and advancement of PepGen's pipeline of Enhanced Delivery Oligonucleotide (EDO) therapies for neuromuscular and neurologic diseases

BOSTON, August 5, 2021 – PepGen, Inc., a company developing next-generation oligonucleotide therapies for neuromuscular and neurologic diseases, today announced the closing of an oversubscribed $112.5 million crossover financing, led by a strong syndicate of investors. The funding round included existing investors RA Capital Management, Oxford Sciences Innovation (OSI) and CureDuchenne Ventures, and added new investors Viking Global Investors, Deerfield Management Company, Qatar Investment Authority, Adage Capital Management, Samsara Biocapital, Laurion Capital Management, Tudor Investment Corporation, Gray's Creek Capital Partners and other leading investors.

Proceeds from the financing will be used to advance PepGen's lead programs: EDO51 for Duchenne muscular dystrophy (DMD), entering Phase 1 clinical trials in 2022, and EDODM1 for myotonic dystrophy type 1 (DM1), entering clinical trials in early 2023, as well as a large pipeline of additional oligonucleotide candidates. The funds will also enable expansion of PepGen's team in Boston.

"This financing comes on the heels of PepGen's $45M Series A, led by RA Capital and announced in December 2020. We are thrilled to to be joined by this strong syndicate as we rapidly move towards the clinic with our lead programs in DMD and DM1," said James McArthur, Ph.D., President and Chief Executive Officer of PepGen. "We have shown in large animal studies that we can safely achieve industry-leading efficacy in exon 51 skipping, and we hope this will be transformative for DMD patients. We will build on this work to expand our DMD program and into other neuromuscular diseases, leveraging the enormous potential of our EDO platform technology to create a better future for people living with genetic diseases."

"The PepGen team has made tremendous strides advancing its portfolio of neuromuscular therapies over the last year," added Joshua Resnick, MD, MBA, Managing Director RA Capital Management. "PepGen has demonstrated that their EDOs achieve therapeutically differentiated levels of oligonucleotide delivery to muscle, including cardiac tissue, which is an area of unmet need for DMD patients. There is a strong opportunity for the company to deliver best-in-class therapies for DMD and other disorders, and we're pleased to expand our support of PepGen at this pivotal time in the company's growth and development."

PepGen's lead DMD program, EDO51, targets the underlying cause of DMD, a rare genetic disease characterized by progressive muscle weakness, which leads to difficulties standing, walking and breathing, ultimately impeding daily function and long-term survival. PepGen's therapy combines an enhanced delivery peptide with a therapeutic oligonucleotide to target exon 51, stimulating exon-skipping to produce a functional dystrophin transcript enabling dystrophin production. Preclinical studies suggest that EDO51 can stimulate greater levels of exon-skipping that are expected to produce higher levels of dystrophin protein at lower doses than existing DMD therapies.

The company's lead program in DM1, EDODM1, blocks the toxic CUG repeats that form hairpin loops in DMPK messenger RNA leading to myotonic dystrophy type 1, a progressive muscle disease that causes myotonia and worsening muscle loss. Similar to DMD, the long-term impacts of DM1 are overwhelming for families that live with this disease. PepGen's approach delivers a peptide-conjugated antisense oligonucleotide to restore cellular function to multiple muscle tissue types. Clinical trials are expected to begin in early 2023.

PepGen will expand its DMD program to include multiple patients amenable to exon skipping approaches beyond exon 51, including populations that have no approved or clinical-stage therapies available, and expects to develop a broad pipeline of therapeutic candidates to address neuromuscular and neurologic diseases in the coming years.

"It's extremely gratifying to witness the rapid translation of our scientific work on the optimization of cell-penetrating peptides to the development of new medicines that have the potential to radically impact the course of rare and devastating neuromuscular diseases," said Matthew Wood, Professor at the University of Oxford and PepGen's Scientific Co-founder. "I'm delighted to see this support of existing and new investors that will help propel our Enhanced Delivery Oligonucleotides into the clinic."

"OSI has been with PepGen since the beginning, so we know firsthand the state-of-the-art science and expertise from scientists at Oxford and Cambridge that has allowed PepGen to advance its EDO platform to near-clinical readiness and the commitment this team has to improving patients' lives," said Alexis Dormandy, Chief Executive Officer of OSI. "We look forward to continuing our support of the company as it works toward its ultimate goal to change the treatment paradigm for people with DMD, DM1 and other rare genetic disorders."

About PepGen

PepGen, Inc. is a biotechnology company advancing next-generation oligonucleotide therapies for neuromuscular diseases. PepGen's proprietary Enhanced Delivery Oligonucleotides (EDOs) are designed to safely and effectively target the underlying causes of rare genetic diseases such as Duchenne muscular dystrophy (DMD) and myotonic dystrophy type 1 (DM1). In preclinical studies, PepGen's enhanced delivery peptides

demonstrated success in cell penetration and delivery of therapeutic candidates to multiple tissue types, including cardiac tissue. PepGen was founded by leading neurology researchers in Oxford, UK and is backed by a strong syndicate of investors including RA Capital Management, Oxford Sciences Innovation (OSI), and others. The company is headquartered in Boston, Mass. For more information, visit www.pepgen.com or follow PepGen on Twitter and LinkedIn.

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