

KOL Webinar on DCCR for the Treatment of Prader-Willi Syndrome

February 4th 2021



Certain Notices and Disclaimers

Forward-Looking Statements

This presentation contains forward-looking statements that are subject to many risks and uncertainties. Forward-looking statements appear in a number of places throughout this presentation and include statements regarding our intentions, beliefs, projections, outlook, analyses or current expectations concerning, among other things, our ongoing and planned product development and clinical trials; the timing of, and our ability to make, regulatory filings and obtain and maintain regulatory approvals for our product candidates; our intellectual property position; the degree of clinical utility of our products, particularly in specific patient populations; our ability to develop commercial functions; expectations regarding product launch and revenue; our results of operations, cash needs, and spending of the proceeds from this offering; financial condition, liquidity, prospects, growth and strategies; the industry in which we operate; and the trends that may affect the industry or us.

We may, in some cases, use terms such as “believes,” “estimates,” “anticipates,” “expects,” “plans,” “intends,” “may,” “could,” “might,” “will,” “should,” “approximately” or other words that convey uncertainty of future events or outcomes to identify these forward-looking statements. Although we believe that we have a reasonable basis for each forward-looking statement contained in this presentation, we caution you that forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition and liquidity, and the development of the industry in which we operate may differ materially from the forward-looking statements contained in this presentation.

You should also read carefully the factors described in the “Risk Factors” sections and other parts of our Annual Report on Form 10-K and Quarterly Report on Form 10-Q, available at www.sec.gov, in order to better understand the risks and uncertainties inherent in our business and underlying any forward-looking statements. As a result of these factors, we cannot assure you that the forward-looking statements in this presentation will prove to be accurate. Furthermore, if our forward-looking statements prove to be inaccurate, the inaccuracy may be material. In light of the significant uncertainties in these forward-looking statements, you should not regard these statements as a representation or warranty by us or any other person that we will achieve our objectives and plans in any specified timeframe, or at all. Any forward-looking statements that we make in this presentation speak only as of the date of such statement, and we undertake no obligation to update such statements to reflect events or circumstances after the date of this presentation or to reflect the occurrence of unanticipated events.

Prader-Willi Syndrome



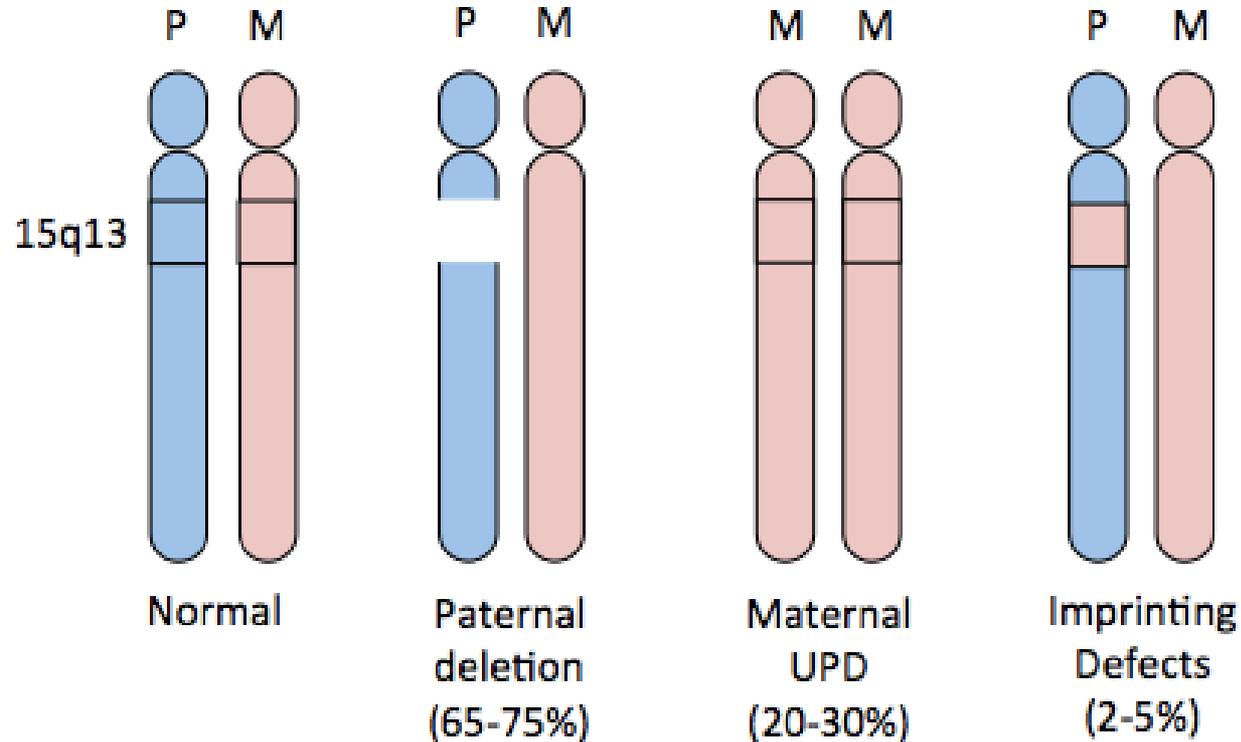
Jennifer L Miller, MD
University of Florida
Pediatric Endocrinology

Prader-Willi syndrome

- Caused by lack of paternal contribution of Chromosome 15 q11.2-q13 region
- Prevalence= 1:15,000-1:30,000
- Decreased fetal movements, typically about 15% smaller for weight and length at birth than unaffected siblings
- Average age of diagnosis is 1.2 months



Prader-Willi syndrome : Genetic mechanisms

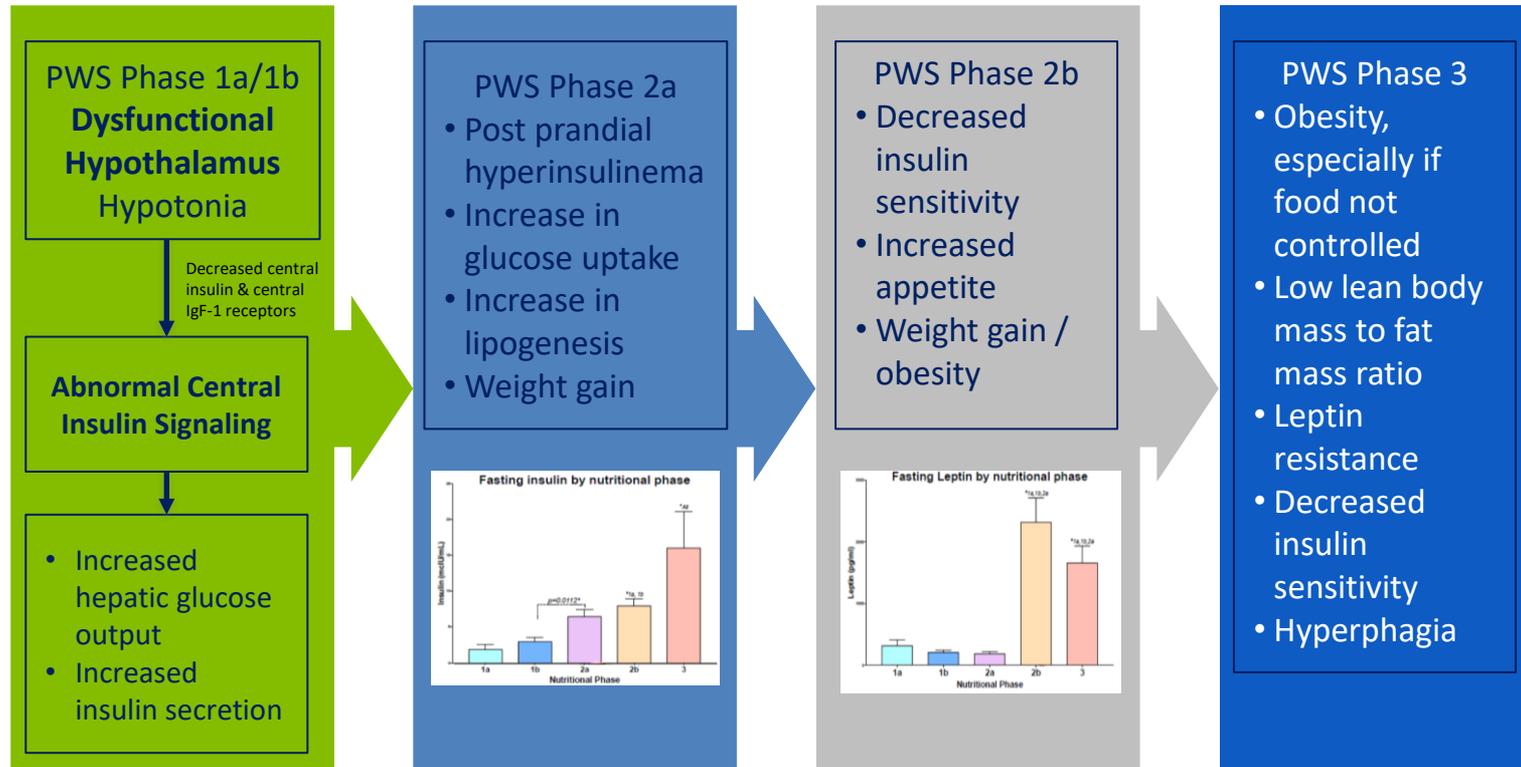


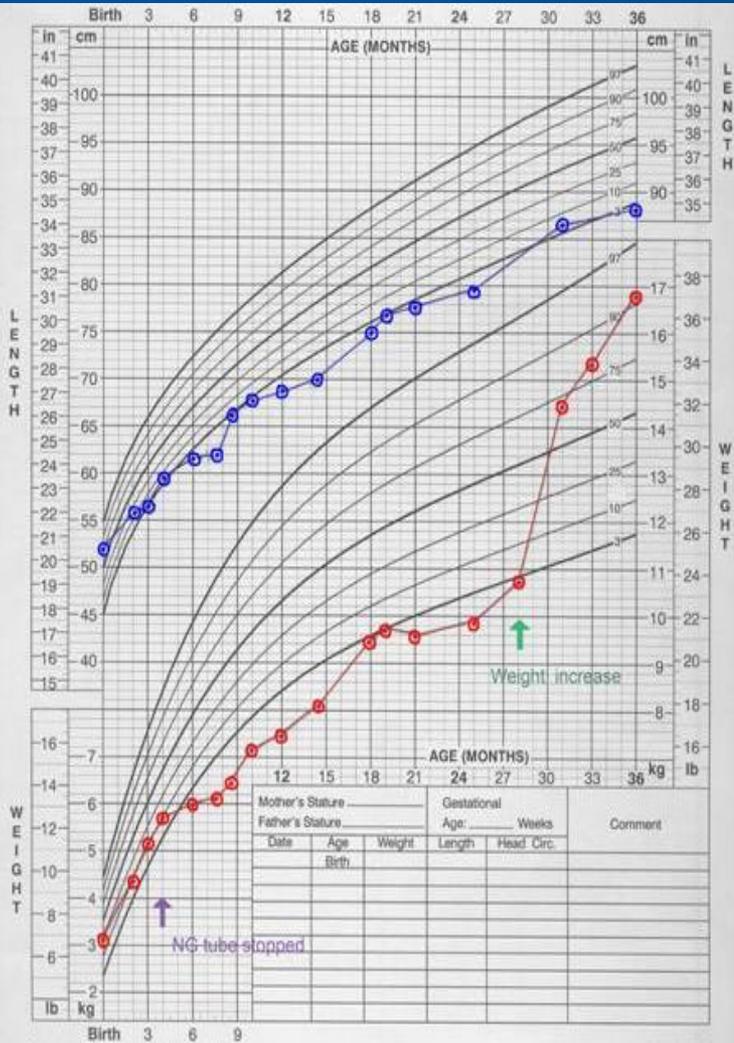
Prader-Willi syndrome

Phenotypic features include:

- FTT in infancy
- Early-onset weight gain
- Weight gain precedes hyperphagia
- Hypotonia
- Speech delay/language impairment
- Multiple endocrinopathies due to hypothalamic/pituitary dysfunction
- Variability in cognitive impairment
- Characteristic behaviors/OCD/anxiety

Progression to hyperphagia in PWS





Published May 30, 2000 (modified 4/20/01)
 SOURCE: Developed by the National Center for Health Statistics in collaboration with
 the National Center for Chronic Disease Prevention and Health Promotion (2000).
<http://www.cdc.gov/growthcharts>



SAFER • HEALTHIER • PEOPLE



PWS - Body Composition

- Ectopic accumulation of excess body fat
 - Higher total body fat
 - Higher subcutaneous fat and lower visceral fat than similarly obese controls
- Low lean body mass
 - Reduced muscle mass relative to controls with similar BMI
- Contributes to sedentary lifestyle

PWS - Behavioral Problems

- Hyperphagia
 - Constant food seeking, tantrums, meltdowns
- Obsessive compulsive behaviors
 - Self injurious behaviors
- Anxiety
 - Both food-related and non-food-related
- Autistic-spectrum like behaviors
- Aggressive behaviors are common, especially regarding food

PWS - Intellectual Disability

- Mild to moderate cognitive impairment
- Intellectual delay and learning problems apparent by school age
- Cognitive rigidity leading to behavior complications
- May be exacerbated by hypersomnia and food-related behaviors

PWS - Impact on Families

- Burden of care increases from childhood to adolescence and early adulthood, especially when they become hyperphagic
- Strain on family relationships
 - PTSD and behavioral complications among siblings
- Caregivers experience
 - Reduced sleep quality, frequent anxiety, depression and low mood
- Adversely impacts work, and economic opportunities for the family

The Burden

- Appetite typically increases gradually, and then becomes insatiable
- Even if kept thin with environmental controls, the appetite is all consuming
- Will seek and steal food, hide and hoard food, sneak out of home to try to get food, eat frozen food, raw food, food from garbage, non-food



Treatments

- Growth hormone is the only approved treatment
 - FDA-approved for growth failure
- Several other medications may be tried for symptomatic improvements:
 - Hormone replacement (sex steroids, thyroid hormone, etc)
 - Behavioral medications (SSRI's, stimulants)
- No medications approved for hyperphagia

Treatments

- Currently, most families treat the hunger/appetite in PWS by making the home a prison – and the rest of the family the wardens



The Impact of Covid

- The already complex clinical picture of PWS has been further complicated by the pandemic
- The transition to isolation and lack of typical activities is very evident
- FPWR's survey has captured the magnitude of the disruption

Impact of the COVID Pandemic on PWS Families: Results of a Survey

Theresa V. Strong, PhD

Director of Research Programs



www.fpwr.org

It takes a (very predictable) village...

- PWS families typically have built a network of support to navigate the challenges of PWS - may include 1:1 educational support; multiple therapies; structured social activities; respite care
- Individuals with PWS thrive on routine and structure, and have tremendous difficulty coping with transitions, unexpected change, and uncertainty.



“Impact of COVID” Survey

The COVID pandemic has severely impacted the developmentally disabled population, disrupting education, social activities, and access to medical and supportive care.

We developed a survey in the Global PWS Registry to assess the pandemic’s impact on the individual with PWS and their caregivers:

- Parent/caregiver reported data – report on peak of impact

This analysis includes responses:

- May – August 2020
- Age 4+
- US and UK

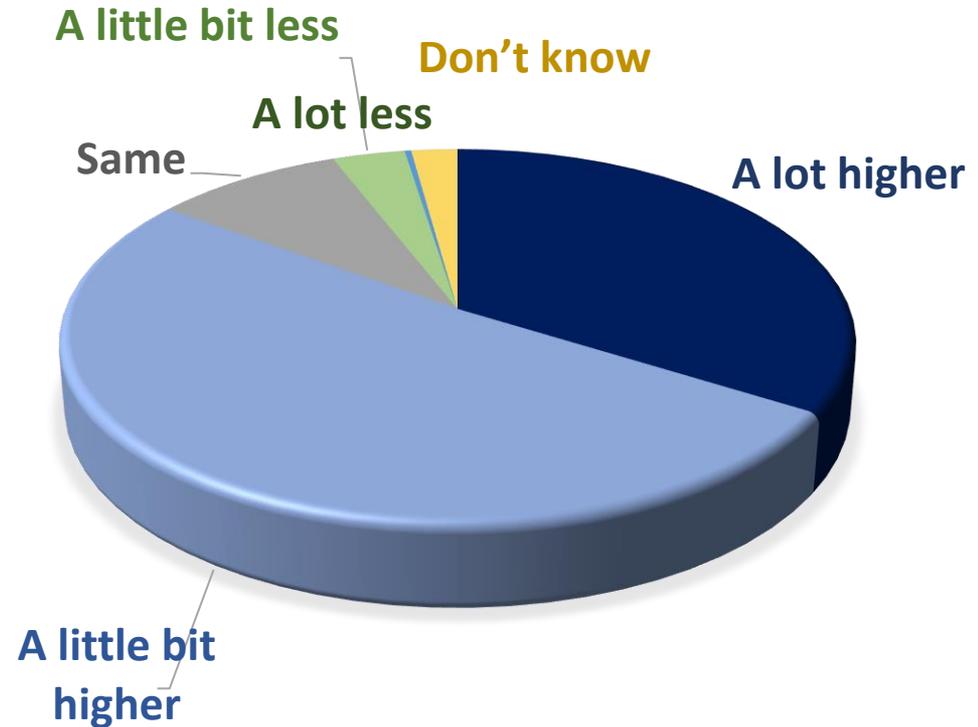
(n=322 families)

Caregiver stress is up; sleep is down

85% of caregivers report more stress

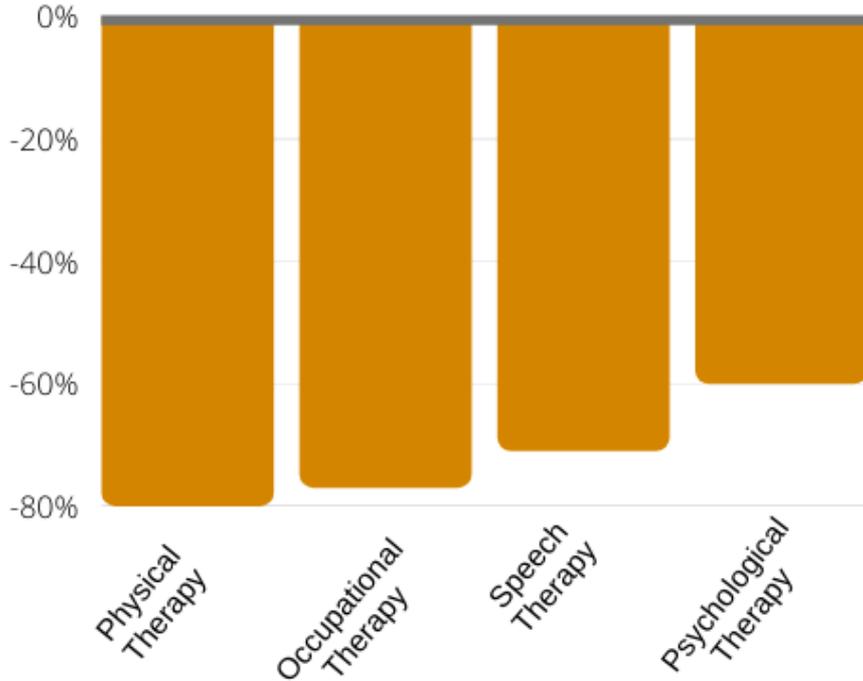
Biggest concerns

- My loved one with PWS will get sick with COVID-19
- I will get sick with COVID-19 and not be able to care for my loved one with PWS
- That the person with PWS is not receiving adequate educational support and will fall behind



35% report less sleep, while ~50% report the same amount of sleep

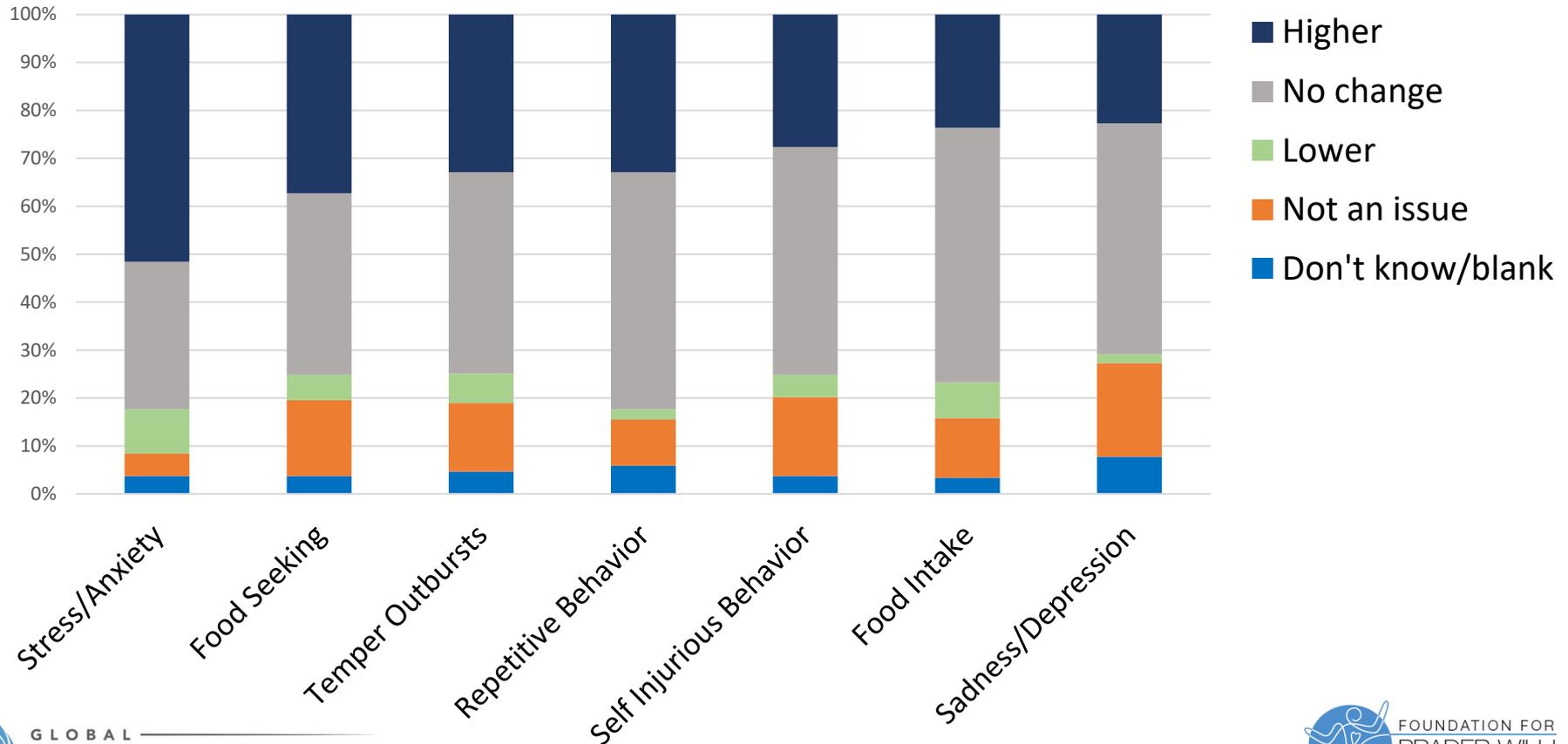
For the majority of families receiving therapies, access was temporarily reduced or eliminated.



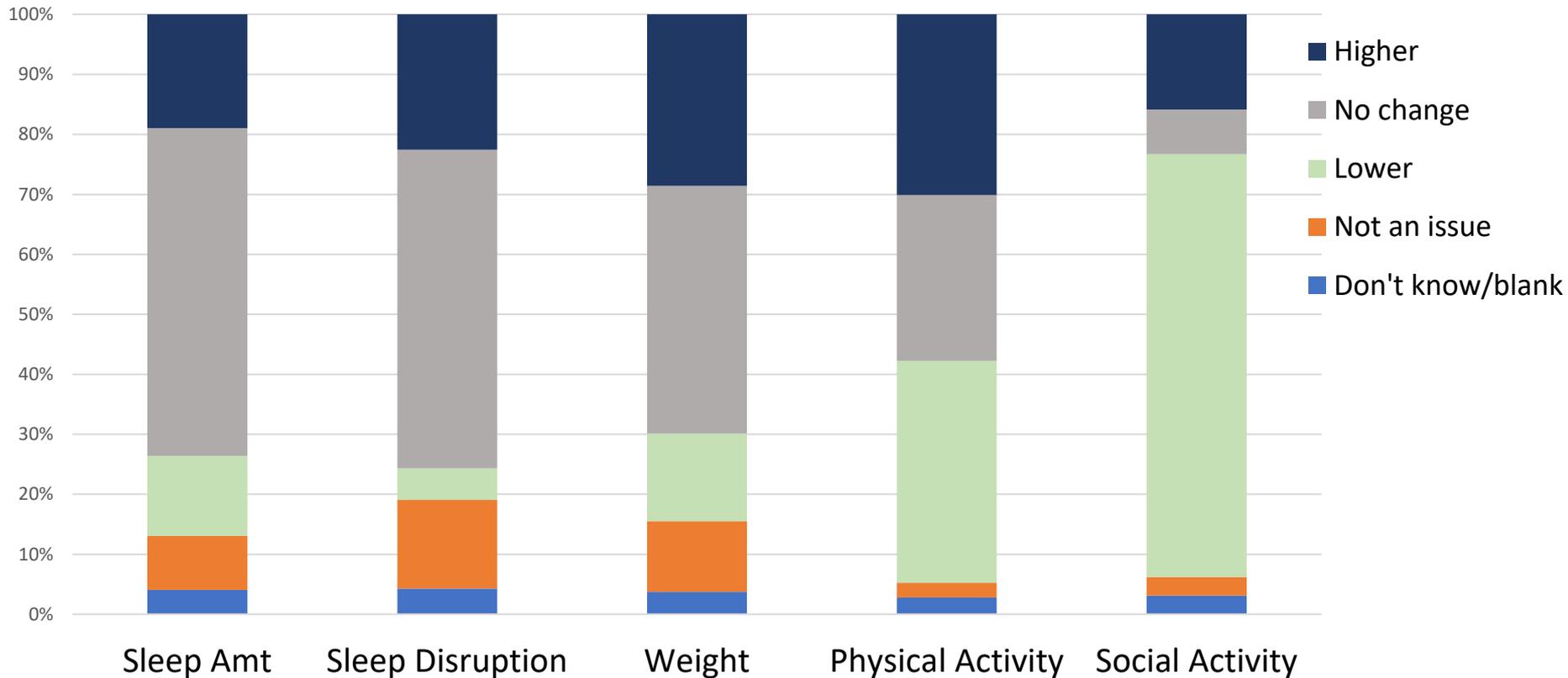
Overall, behavior has been more difficult to manage



Change in behaviors for the person with PWS

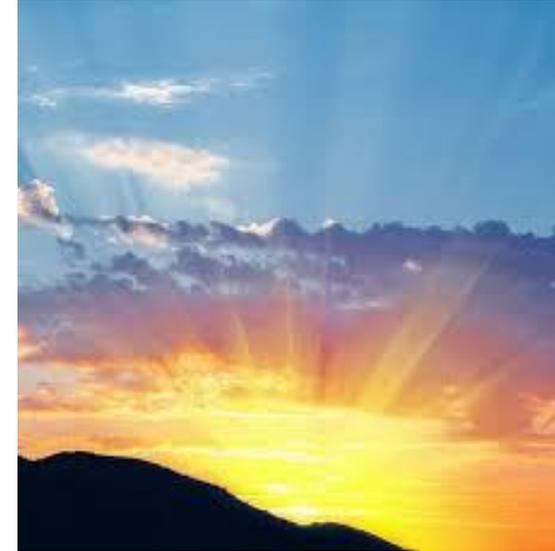


Change in sleep, weight, physical activity and social interaction



Summary

- Individuals with PWS and their parents/caregivers experienced significant disruptions during to the COVID-19 pandemic
- Caregivers experienced increased stress as they took on additional responsibilities in schooling, therapies, exercise and as ‘activity coordinator’
- Decreased social opportunities, changes to routine, loss of structure and associated stress have manifested as increased behavioral challenges
- Parents cite stress associated with transition and uncertainty as particularly difficult for their loved ones with PWS



Impact of COVID-19 Pandemic on DESTINY PWS

February 4th 2021



Impact of COVID-19 Pandemic on DESTINY PWS

- Comprehensive analyses undertaken based on
 - Published statistical guidance from the FDA and from industry publications^{1,2}
 - Published literature on impact of COVID-19 (COVID) pandemic on childhood psychiatric conditions³
 - FPWR Global Registry COVID Pandemic Impact survey⁴
- Expected that subjective endpoints more likely to be impacted
 - HQ-CT
 - Caregiver GI-C
 - PWS Profile (PWSP)
 - Others

¹ U.S. FDA. Guidance for Industry: Statistical Considerations for Clinical Trials During the COVID-19 Public Health Emergency. June 2020.

² Meyer et al. Statistical Issues and Recommendations for Clinical Trials Conducted During the COVID-19 Pandemic. *Statistics in Biopharmaceutical Research*. 2020;12, 2020(4):399-411.

³ Aman MG, Pearson DA. Challenges for Child and Adolescent Psychiatric Research in the Era of COVID-19. *J Child Adolesc Psychopharmacol*. 2020;30(5):280-284.

⁴ Foundation for Prader-Willi Research. PWS Registry Data: Impact of COVID-19 on PWS Families. <https://www.fpwr.org/blog/pws-registry-data-impact-of-covid-19-on-pws-families-infographic> and unpublished data, January 2021.

Choice of March 1, 2020 as Cutoff

- C601
 - Last patient randomized in late January 2020
 - Last patient last visit late April 2020
 - Topline data received early June 2020
- COVID
 - Declared public health emergency January 31, 2020
 - National emergency declared March 1, 2020
- March 1, 2020 considered to be appropriate “pre-COVID” cutoff (including by other sponsors in PWS space)
 - 86 subjects (69%) completed C601 by March 1, 2020

C601 Primary and Key Secondary Endpoints

Primary Endpoint
Change from Baseline in Hyperphagia at Visit 7
Key Secondary Endpoints
Clinical Global Impression of Improvement at Visit 7 (CGI-I)
Change From Baseline in Body Fat Mass (DXA)
Caregiver Global Impression of Change at Visit 7 (Caregiver GI-C)

C601 Primary and Key Secondary Endpoints

Primary Endpoint	All Data		Data through March 1, 2020	
	DCCR (N = 82)	Placebo (N = 42)	DCCR (N = 80)	Placebo (N = 41)
Change from Baseline in Hyperphagia at Visit 7	-5.94 (0.88)	-4.27 (1.15)	-6.64 (1.00)	-3.51 (1.28)
LS Mean Difference [DCCR-Placebo] (SE)	-1.67(1.29)		-3.13 (1.48)	
p-value	0.198		0.037	
Key Secondary Endpoints				
Clinical Global Impression of Improvement at Visit 7 (CGI-I)	0.03		0.015	
Change From Baseline in Body Fat Mass (DXA) at Visit 7	0.03		0.004	
Caregiver Global Impression of Change at Visit 7 (Caregiver GI-C)	0.41		0.031	

Analyses in this presentation are preliminary and may be subject to change.

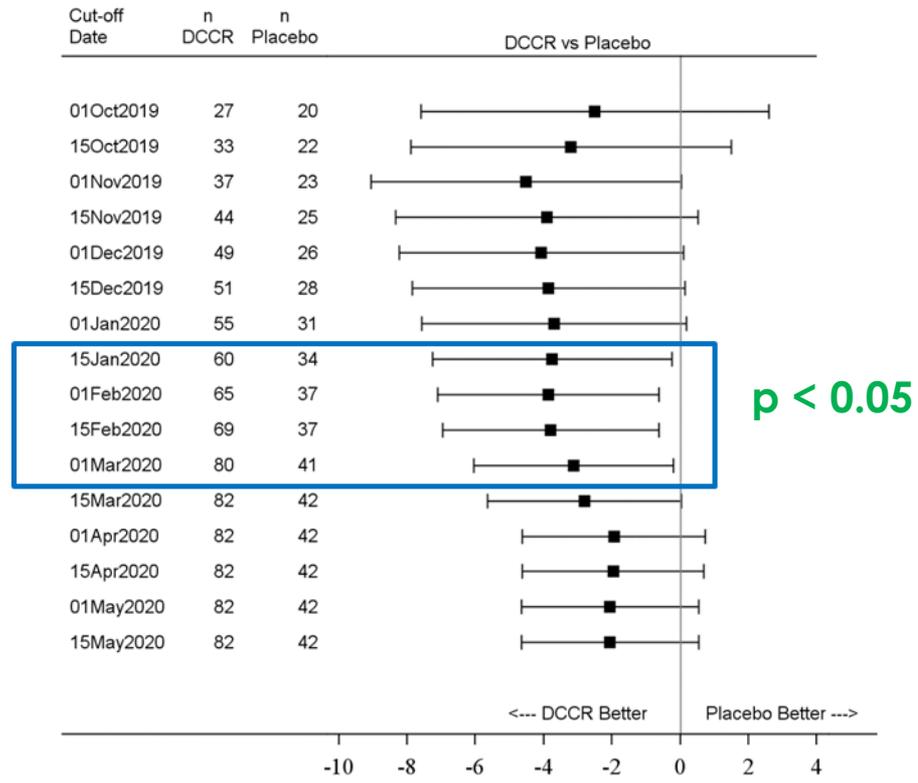
C601 HQ-CT Change from Baseline

- Visits on or before March 1, 2020

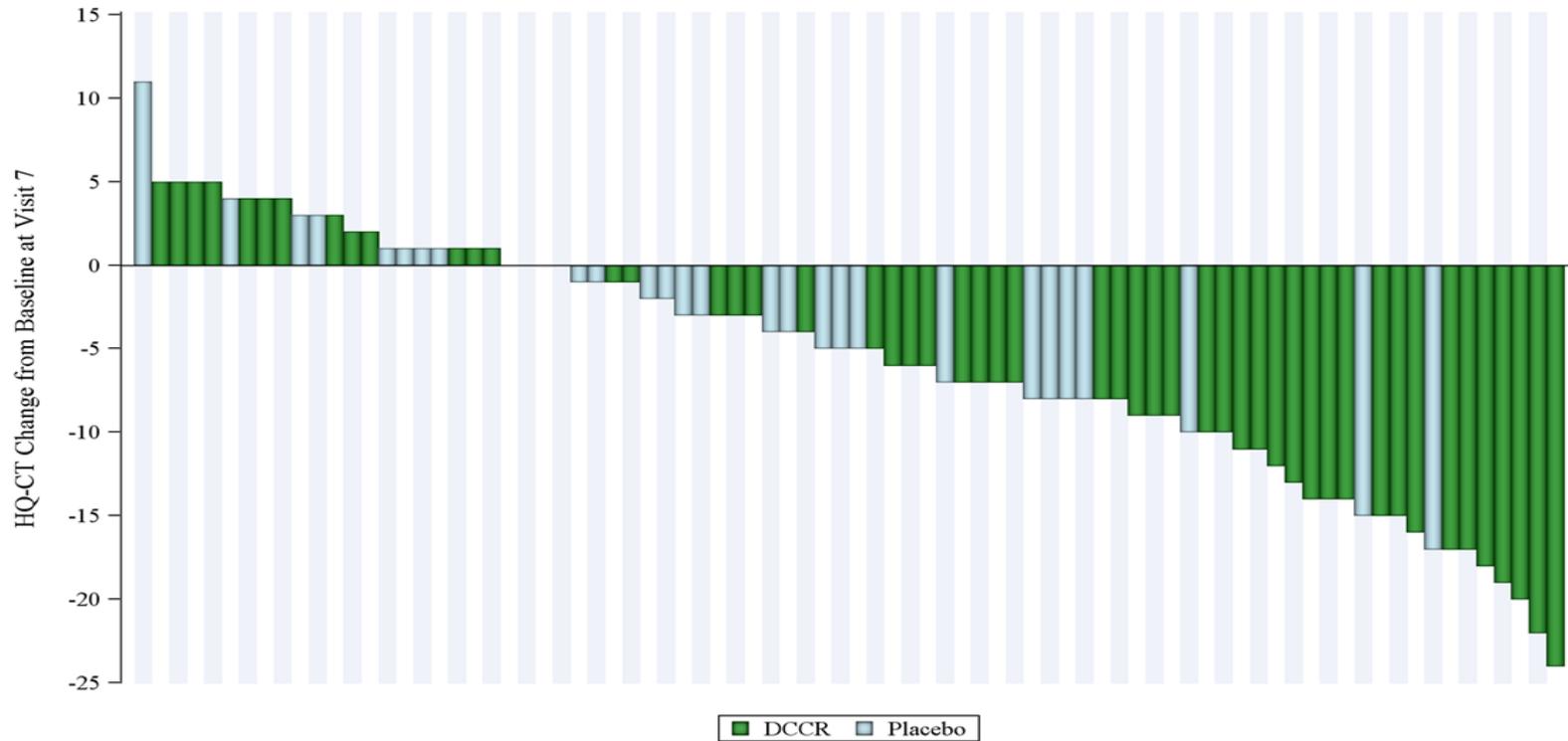
HQ-CT: Change from Baseline to Week 13	DCCR N=80	Placebo N=41
LS Mean Change from Baseline (SE)	-6.64 (1.00)	-3.51 (1.28)
LS Mean Difference	-3.13	
p-value	p = 0.037*	

* Analysis performed using a linear mixed model for repeated measures with change from Baseline as the dependent variable

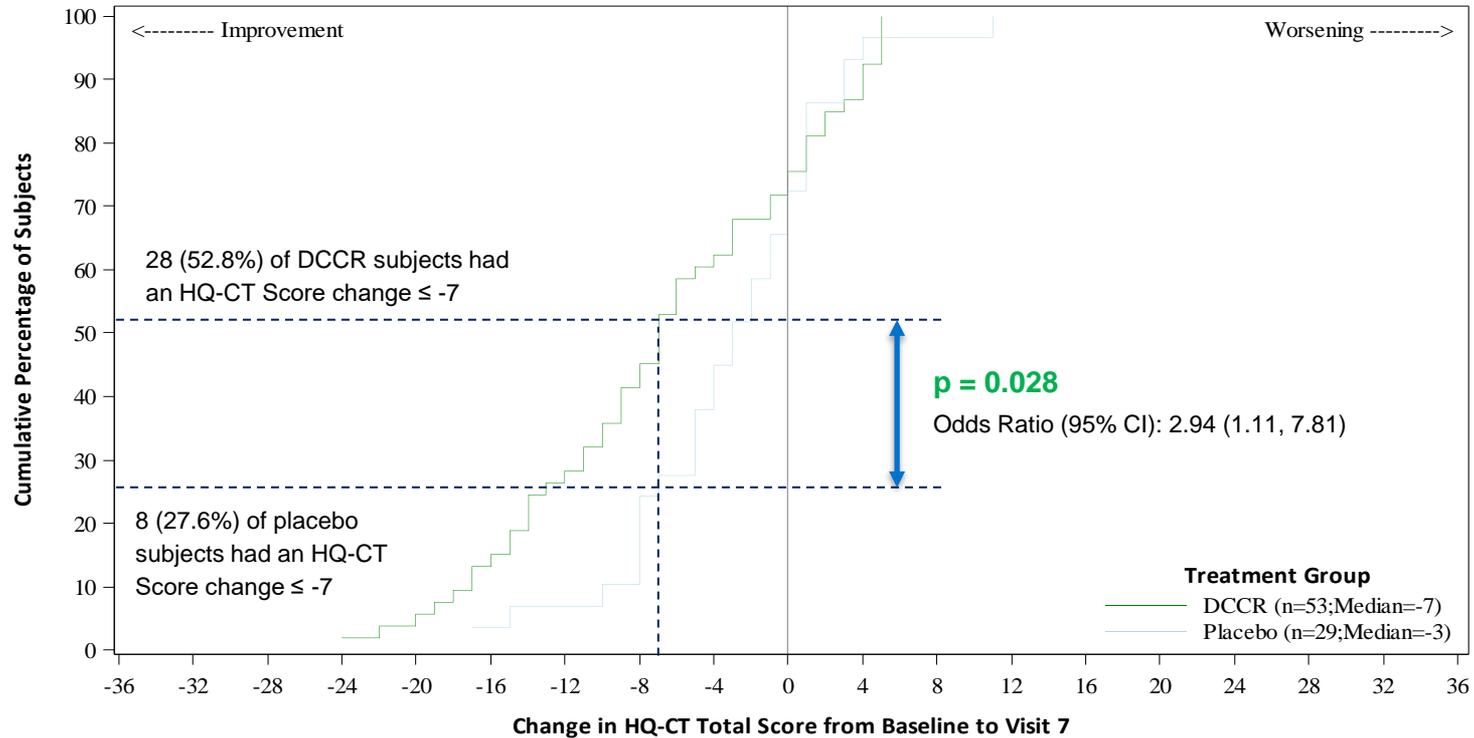
C601 HQ-CT Changes in HQ-CT by Cut-off Date



HQ-CT Changes from Baseline Waterfall Plot through March 1, 2020

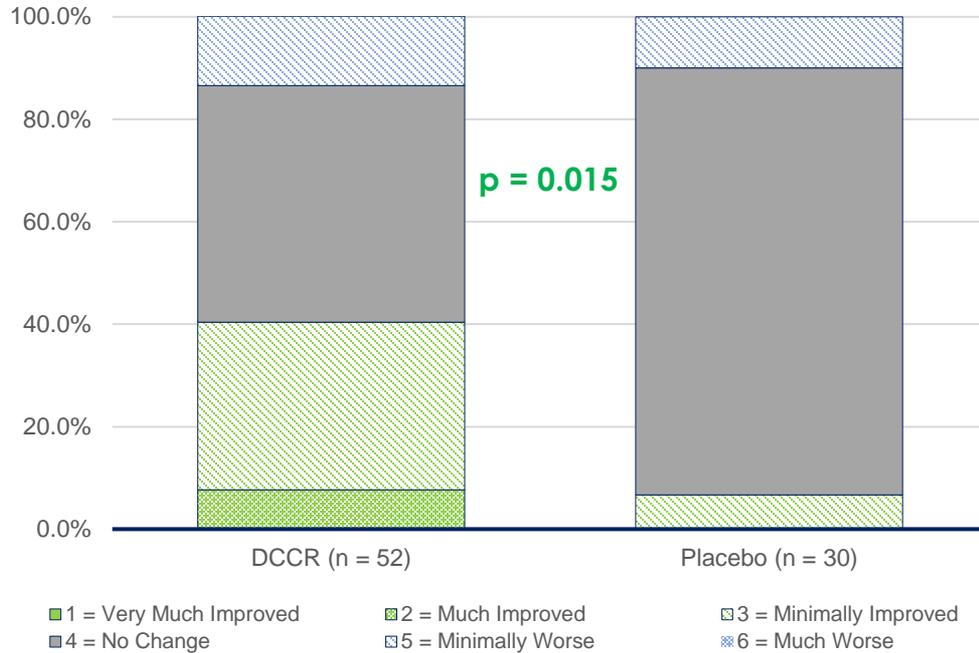


C601 HQ-CT Responder Analysis through March 1, 2020



- p-value and odds ratio for DCCR vs placebo obtained using a CMH chi-square test and observed data at Visit 7.

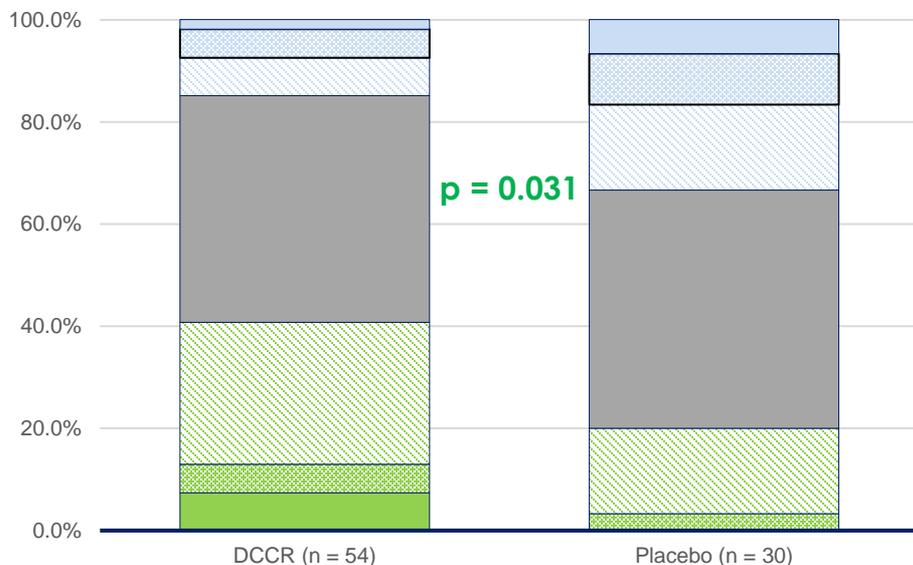
C601 Key Secondary Endpoint: CGI-I



CGI-I Rating	DCCR (n = 52)	Placebo (n = 30)
Improved	40.4%	6.7%
No Change	46.2%	83.3%
Worse	13.5%	10.0%

p-value using CMH; all observed values through March 1, 2020
 Using imputation for missing data *p* = 0.037

C601 Key Secondary Endpoint: Caregiver GI-C

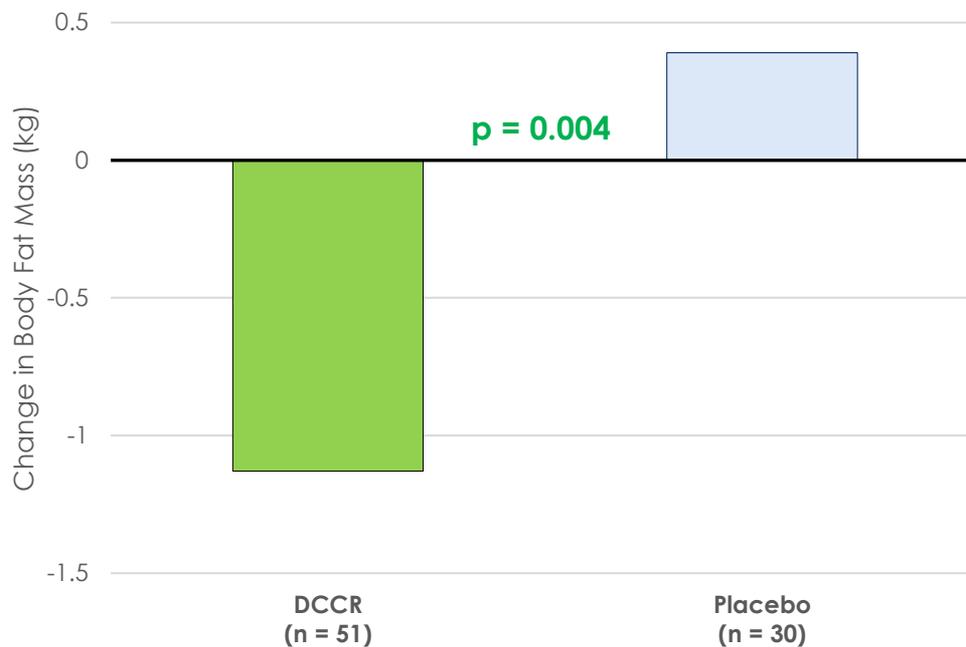


Caregiver GI-C Rating	DCCR (n = 54)	Placebo (n = 30)
Better	40.8%	20.0%
No Change	44.4%	46.7%
Worse	14.9%	33.4%

■ 1 = Very Much Better ■ 2 = Moderately Better ■ 3 = A Little Better ■ 4 = No Change
 ■ 5 = A Little Worse ■ 6 = Moderately Worse ■ 7 = Very Much Worse

p-value using CMH; all observed values through March 1, 2020
 Using imputation for missing data *p* = 0.086

C601 Key Secondary Endpoint: Body Fat Mass



Observed values through March 1, 2020
Using imputation for missing data $p = 0.005$

C601 Behavioral Endpoints, data through March 1, 2020

PWSP Domain	p-value DCCR vs Placebo
Aggressive Behaviors	0.048
Anxiety	0.018
Rigidity, Irritability	0.003
Compulsivity	0.008
Depression	0.185
Disordered Thinking	0.011
DBC-2	
Total Score	0.009
Communication Disturbance	0.003
Social Relating	0.008

Analyses of Data

- No significant differences in the demographics compared with topline ITT population
- In general, DCCR showed statistically significant improvements in several other subjective endpoints that were not significant in the topline analyses
- Objective endpoints, mostly significant in the topline analyses, generally remained so
- The safety profile was similar to that observed in the topline ITT population

Conclusions

- Clear impact of COVID pandemic on the caregivers and subjects in DESTINY PWS
- Primary, subjective key secondary, and several other efficacy variables that were not significant in the topline analyses, are significant with pre-March 1, 2020 analyses
- No differences observed in the safety of DCCR compared to the profile seen in the topline analyses

DCCR in C601/C602 Patients

Jennifer L Miller, MD
University of Florida
Pediatric Endocrinology

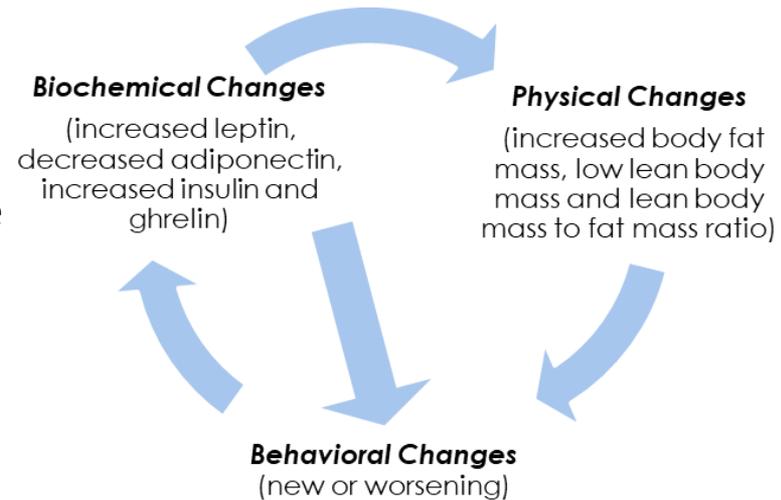


DCCR in PWS

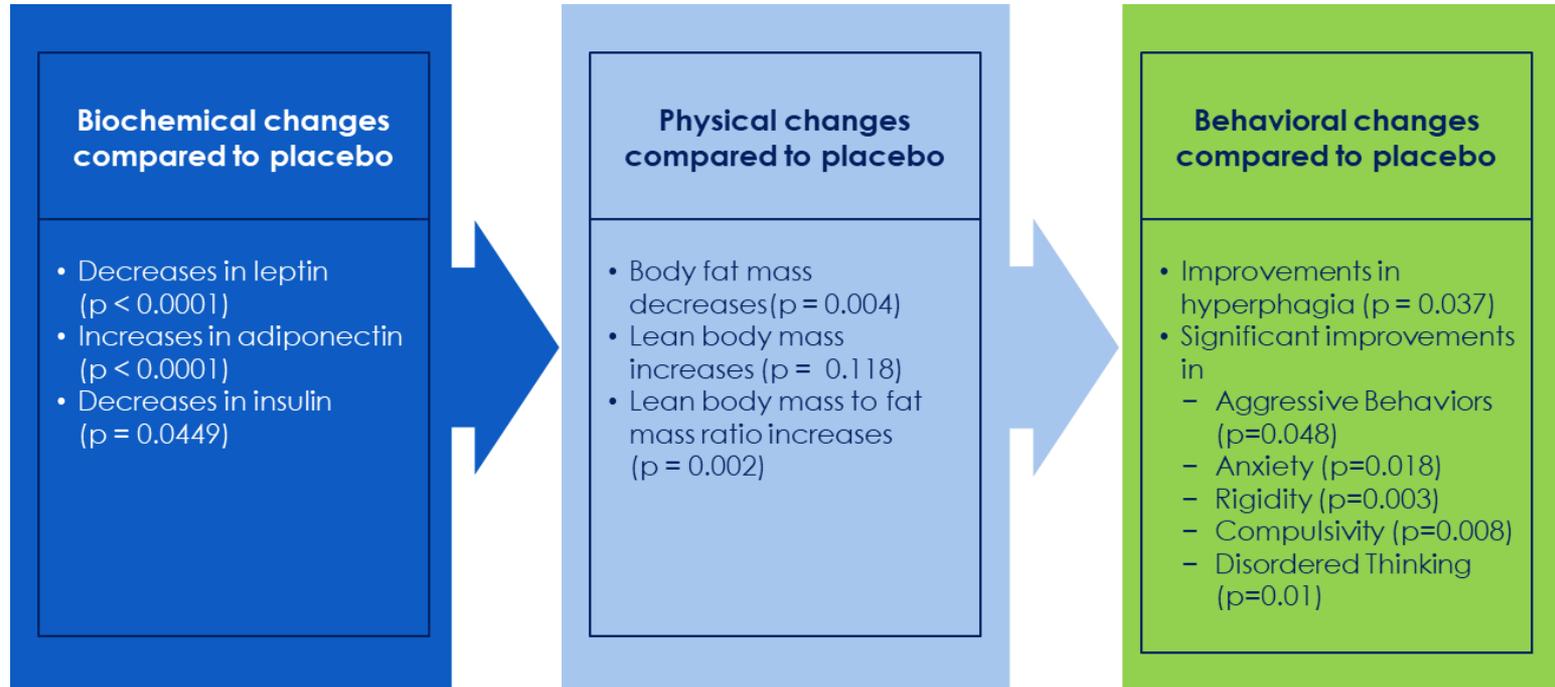
- Observations of my patients in the C601 and C602 studies
 - Earliest enrolled patients have been on DCCR in C602 for more than 2 years
 - Anecdotes include my clinic patients participating at other study centers
- Observations do not apply to every patient

The Cycle of PWS

- In PWS, the loss of Snord116 leads to excess NPY and AgRP synthesis and secretion by NPY/AgRP neurons
 - Exacerbated by leptin resistance and insulin resistance leading to both physical changes and behavioral changes, including hyperphagia
 - Unmanaged hyperphagia continues to fuel the cycle



DCCR Effects on PWS



Improvements in Hyperphagia

- Food is no longer top-of-mind, allowing them the ability to focus on and think about other things
- Can be distracted from talking about food
- Meal schedule can be relaxed, mealtimes less stressful
- May be able to unlock the refrigerator, kitchen, and pantry
- May be able to take the PWS patient to the grocery store, restaurants, the movies or family gatherings
- Improvement of behavior around food

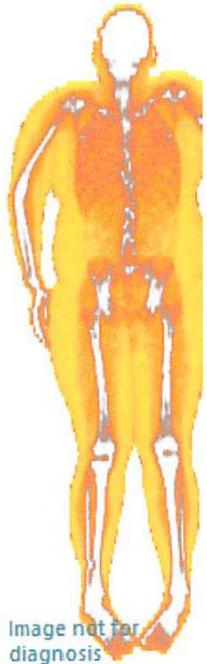
Improvements in Behaviors Other than Hyperphagia

- Improved family dynamics
- Improved social interactions
- Less anxiety
- Decreased compulsive behaviors
- Decreased skin picking
- Decreased repetitive questioning

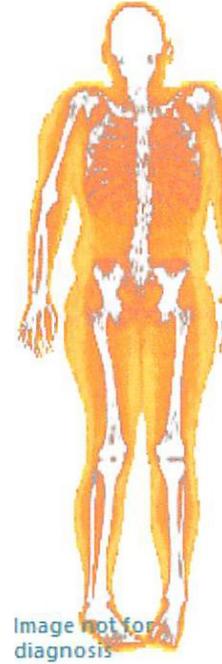
Improvements in Body Composition

- Increased strength, stamina and exercise capacity
- Ability to perform tasks otherwise unusual (biking, rollerblading, etc.)
- Increased voluntary energy expenditure
 - Treated patients can increase their food intake without gaining weight
- Overall sense of well-being

DXA Results for DCCR Treated PWS Patient

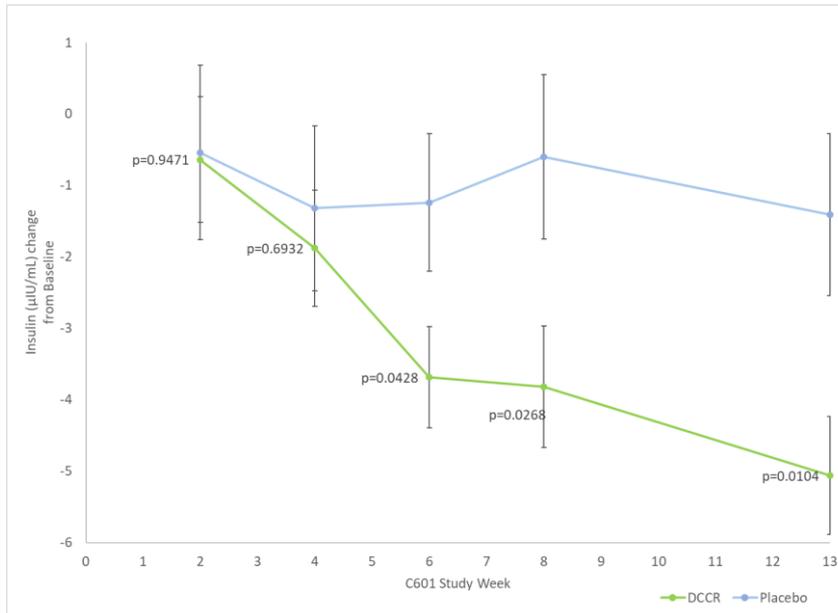


C601 Baseline	Body Composition Parameter	After 12 months Open-label DCCR
121.28 kg	Total Mass (kg)	94.72
62.26 kg	Fat Mass (kg)	31.69
55.93 (kg)	Lean Mass (kg)	59.63
52.7% (kg)	% Body Fat	34.7%



Improvements in Biochemical Markers

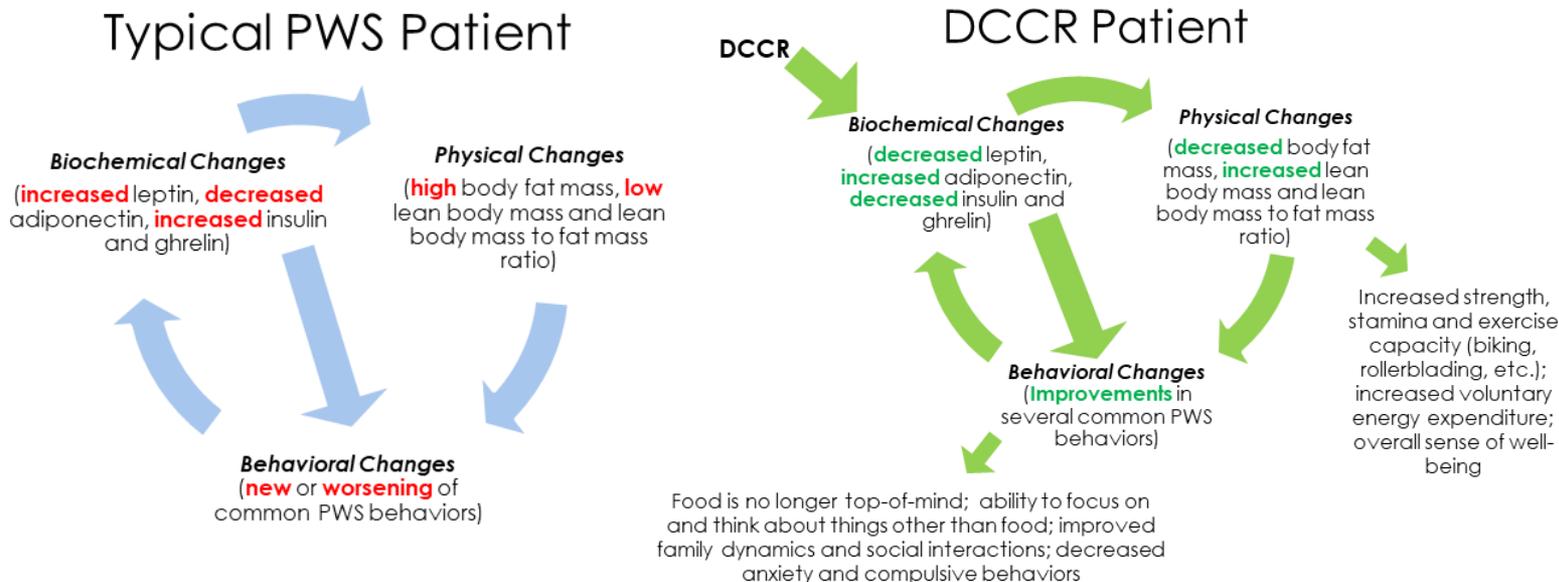
Insulin Change from Baseline



Change from Baseline to Visit 7 (through March 1, 2020)	DCCR vs Placebo p-value
Decreased Acylated Ghrelin (active form)	0.009
Decreased Leptin	<0.0001
Increased Adiponectin	<0.0001

Clinical Global Impression of Improvement

- Assessment allows investigators to think about the whole patient, not just each individual endpoint and the impact of those changes



Safety / Risk-Benefit

- The adverse event profile for DCCR has been consistent with that of diazoxide and prior experience with DCCR
- Most common AEs are hypertrichosis, increases in blood glucose levels and edema
- Given the significant unmet need in PWS, DCCR has a desirable risk-benefit profile

Conclusions

- Data from DCCR studies to date suggests statistically significant and clinically meaningful benefits to PWS patients
- The benefits appear to span behavioral as well as metabolic endpoints
- These effects of DCCR, if sustained, may have the potential to change the natural history of PWS

Commercial Opportunity



US Patient Population

Patient Population

- Overall US diagnosed PWS prevalence rate: ~2.7 per 100k persons¹
- 8,870 estimated patients with diagnosed PWS in 2018¹
- Elevated mortality rates; mean life expectancy ~30 years
- Estimated current US prevalence of approximately 10,000 – 20,000²

¹ McCandless SE, et al. (2020) - Rare causes and conditions of obesity: PWS, Lipodystrophy

² Bohonowych J, et al. The global Prader-Willi syndrome registry: Development, launch and early demographics. Genes (Basel) 2019; 10(9):713

US Prevalence per 100k (IQVIA data)¹

Age	Diagnosed
0 - 2	3.9
3 - 8	5.2
9 - 17	4.5
18 - 26	4.2
27 - 49	2.5
≥ 50	1.1

PWS patients were identified via the presence of ≥ 2 claims with a diagnoses code for PWS

Small Commercial Footprint to Reach Patient Population

- Primary treating physicians
 - Predominantly Pediatric Endocrinologists
 - ~1,000 Pediatric Endocrinologists in the US
 - <150 Pediatric Endocrinologists treating PWS: 70 listed on PWSA USA website¹
 - Minority by others, such as medical geneticists, psychiatrists or adult endocrinologists
 - Increasing number of centers where multidisciplinary clinics are available
- Active Patient Advocacy Groups
 - Two major organizations in the US (FPWR and PWSA USA)
 - PWSA USA has state-level chapters in most states

¹ As per PWSA USA website: Healthcare Provider Directory: Endocrinology - Pediatric

DCCR Commercial Considerations

- No alternative approved treatment
- Once daily tablet
- Patient's environment is highly structured with defined routines suggesting higher than average compliance and adherence
- Distribute to patients via 3PL, Specialty Pharmacy and Hub
- Orphan pricing

Pipeline – Other Opportunities for DCCR

	Potential Upside Opportunities for DCCR	Estimated US Prevalence
Syndromic Obesity	Fragile X-PWS Phenotype	6,700 - 8,500
	Schaaf-Yang syndrome	200 - 300
	Smith Magenis syndrome	13,000 - 22,000
	MC4R deficiency	32,700 - 163,000
Other	Chronic Hyperinsulinism	820 - 1,100
	Glycogen Storage Disease Type 1	2,800 - 6,800

Key Takeaways for Creating Shareholder Value

- PWS is a rare disease, US estimate of 10,000 – 20,000 people
- DCCR is focused on treating the highest unmet needs of PWS for which no approved treatments exist
- Once a day tablet formulation with orphan pricing
- Focused physician population that can be targeted by a small commercial footprint
- Substantial potential upside with other rare disease indications

KOL Webinar on DCCR for the Treatment of Prader-Willi Syndrome

Q&A

