Graybug Announces Review of Strategic Alternatives

June 28, 2022

BALTIMORE, June 28, 2022 (GLOBE NEWSWIRE) -- Graybug Vision, Inc. (Nasdaq: GRAY), a clinical-stage biopharmaceutical company focused on developing transformative medicines for the treatment of ocular diseases, today announced that its Board of Directors will conduct a comprehensive review of strategic alternatives focused on maximizing shareholder value.

As part of this process, the Company will explore the potential for an acquisition, company sale, merger, divestiture of assets, private placement of equity securities, or other strategic transactions. As of March 31, 2022, the company's cash, cash equivalents, and short-term investments totaled $55.3 million. Graybug has retained Piper Sandler Companies to act as its financial advisor to assist with this review process.

"The goal of this strategic evaluation process is to ensure that we are exploring a range of possible options to maximize value for our shareholders while leveraging our diversified pipeline and experienced team. Pending the outcome of this review, cost-containment measures are being put in place to maximize our cash resources available," said Frederic Guerard, PharmD, Chief Executive Officer of Graybug.

There can be no assurance that this process will result in any such transaction, and the Company does not intend to disclose additional details unless and until it has entered into a specific transaction.

About Graybug

Graybug is a clinical-stage biopharmaceutical company focused on developing transformative medicines for ocular diseases. The company's diversified portfolio is designed to treat vision-threatening diseases of the retina, optic nerve, and cornea, by either maintaining effective drug levels in ocular tissues for long periods of time, using innovative technologies, such as injectable sustained-release formulations, or by curing diseases with gene therapies. Graybug's most advanced drug candidate, **GB-102** is a microparticle formulation of a pan-VEGF inhibitor, sunitinib, for the treatment of wet age-related macular degeneration designed for a twice-per-year intravitreal injection. GB-102 has the potential to also benefit patients with diabetic retinopathy. **GB-401** is a first-in-class implant formulation containing a novel prodrug of timolol for the treatment of primary open angle glaucoma (POAG) designed for a twice-per-year intravitreal injection with a proprietary applicator. **GB-501** is an adeno-associated virus (AAV) gene therapy with Orphan Drug Designation (ODD) and Rare Pediatric Disease Designation (RPDD) to treat corneal clouding caused by mucopolysaccharidosis type 1 (MPS1), a lysosomal storage disorder. **GB-601** is being developed as a long-acting formulation of a novel cGMP analog to address hereditary retinal diseases like retinitis pigmentosa, a group of genetic disorders that involve a loss of cells in the retina. **GB-701** is being developed as a long-acting formulation of a potent factor B inhibitor targeting the complement cascade which plays a role in AMD. Founded in 2011 based on technology licensed from the Johns Hopkins University School of Medicine, Graybug has offices in Redwood City, California and in Baltimore, Maryland. For more information, please visit www.graybug.vision.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements reflect the current beliefs and expectations of management and include, but are not limited to, the company's ability to both identify and complete a strategic transaction as described in this press release and statements regarding the company's drug candidates and technologies. All statements other than statements of historical fact are statements that could be deemed to be forward-looking statements. Although the company believes that the expectations reflected in such forward-looking statements are reasonable, it can give no assurances that such expectations will prove to be correct. Forward-looking statements are subject to risks and uncertainties that may cause the company's actual activities or results to differ significantly from those expressed in any forward-looking statement, including risks and uncertainties described under the heading "Risk Factors" in the company's quarterly report on Form 10-Q filed with the Securities and Exchange Commission (SEC) on May 12, 2022, and in other reports the company files from time to time with the SEC. These forward-looking statements speak only as of the date of this press release, and the company undertakes no obligation to revise or update any forward-looking statements to reflect events or circumstances after the date hereof.

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