



January 7, 2016, South San Francisco

**Circle Pharma Announces Receipt of Additional Seed Investment,
Relocation to New Laboratory Facility and Initiation of Internal Pipeline Development**

[Circle Pharma, Inc.](#), today announced that it has extended its seed funding round with an investment from ShangPharma Investment Group Limited. In conjunction with this investment, Circle has relocated to office and laboratory space in South San Francisco.

“The addition of laboratory operations to our computational chemistry platform marks the next stage of Circle’s development,” said David J. Earp, J.D., Ph.D., Circle’s President and CEO, “and we have now initiated work on Circle’s internal pipeline of macrocycle therapeutics.”

“We have selected several intracellular protein-protein interactions (“PPIs”) that play key roles in oncology as our first target group. The clinical and commercial potential of this target class is well recognized but it has proven largely intractable to small molecule drugs since these are too small to disrupt the dispersed molecular interactions typical of PPIs. And, while macrocyclic peptides are large enough to disrupt those interactions, permeability challenges – getting macrocycles into cells – have so far limited progress in this promising drug class. Circle’s ability to design intrinsically cell permeable macrocycles gives us a unique opportunity to develop first-in-class drugs against these high value drug targets.”

Working with a panel of renowned oncology experts, Circle selected its first PPI target group based on criteria including the biological validation of the target’s role as a driver of cancer, unmet clinical need and availability of structural information on the PPIs involved. This first target group includes a balance of well established targets such as PPIs in the Wnt/beta-catenin pathway, and emerging targets such as PPIs involved in epigenetic regulation.

Circle initiated operations in 2014 with seed funding from Pfizer and Mission Bay Capital. Circle deployed that first seed funding to build its computational design platform and to support its ongoing collaborative work with Pfizer. Circle’s new investor, ShangPharma Investment Group Limited, is part of the ShangPharma Group which includes the full service CRO ChemPartner. Circle will work with ChemPartner to build physical libraries of conformationally diverse, cell permeable macrocycles which Circle will integrate into its macrocycle drug development platform.

About Macrocyclic Peptides

Macrocyclic peptides have the potential to provide access to the large proportion of therapeutic targets (estimated at up to 80%) that are considered undruggable with conventional small molecule or biologic modalities. In particular, there is great interest in developing macrocycles to modulate protein-protein interactions, which play a role in almost all disease conditions, including cancer, fibrosis, inflammation and infection. However, the development of macrocyclic therapeutics has been limited to this point by the need for a greater understanding of how to design macrocycles with appropriate pharmacokinetics, cell permeability and oral bioavailability. As a result, most clinical-stage macrocyclic peptide drugs



address extracellular protein targets because of the challenge of identifying cell permeable macrocycles. The ability to design potent macrocycles with intrinsic permeability is expected to give access to a large number of important therapeutic targets that have been out of reach to this point.

About Circle Pharma

Founded by computational chemist Prof. Matthew Jacobson (UC San Francisco) and peptide chemist Prof. Scott Lokey (UC Santa Cruz), and seed funded by Pfizer and Mission Bay Capital in 2014, Circle Pharma is developing a new paradigm for macrocycle drug discovery. Circle's technology facilitates the design and synthesis of intrinsically cell-permeable macrocycles that can address both intra- and extra-cellular therapeutic targets, and can be delivered by oral administration. Circle's macrocycle development platform is applicable across a wide range of serious diseases; the company is initially focusing its internal development efforts on intracellular protein-protein interactions that are key drivers in cancer.

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