Ocean Biomedical (NASDAQ: OCEA) Announces First Patients Dosed by Joint Venture Partner Virion Therapeutics in Phase 1b Study of Novel Immunotherapy for Chronic Hepatitis B Virus Infection

October 26, 2023

Providence, RI, Oct. 26, 2023 (GLOBE NEWSWIRE) -- Ocean Biomedical, Inc. (**NASDAQ:** OCEA), a biopharma company working to accelerate the development of compelling discoveries from top research scientists, today announced that its joint venture partner Virion Therapeutics, LLC, a clinical-stage biotechnology company developing **novel T cell-based immunotherapies, dosed its first patients in a Phase 1b clinical trial of its investigational VRON-0200 immunotherapy,** which is being evaluated as a **functional cure for patients with chronic Hepatitis B virus (HBV) infection.** VRON-0200, a first-in-class treatment, using one of Virion's proprietary checkpoint modifiers, was specifically designed to enhance and broaden a patient's own immune response. This novel mechanism of action may help overcome one of the key problems faced in treating chronic HBV—immune exhaustion. The international, first-in-human VRON-0200 Phase 1b study is currently enrolling patients in Hong Kong and New Zealand, with additional sites planned in the United States. Initial clinical data from this study are expected in early 2024.

"The initiation and dosing of patients in this VRON-0200 study is a critical first step in evaluating its impact on chronically HBV-infected patients' immune responses to the virus, with the ultimate goal of finding a cure for this insidious disease. The mechanism by which VRON-0200 works is a totally new approach to anything previously investigated or currently in development by others—we are looking forward to evaluating the first clinical data from this program, early next year," said **Dr. Sue Currie, COO of Virion**.

"We are thrilled to be partnering with Virion as they advance this important science into its clinical testing phase. It is an exciting milestone for our companies, and for HBV patients globally," commented **Elizabeth Ng, Ocean's CEO** .

About Chronic Hepatitis B
Despite a preventative vaccine, cases of chronic hepatitis B virus (HBV) continue to rise, with an **estimated 296 million persons infected worldwide** and **820,000 deaths per year** from HBV-related liver complications. This includes almost 100 million persons in China who are affected by this disease. Chronic HBV remains a global health issue with a high unmet medical need as there is no cure available. The current standard of care requires lifelong antiviral therapy to keep the virus in check.

Grace Wong, MD, Professor of Medicine at The Chinese University of Hong Kong (CUHK) and a principal investigator in the VRON-0200 study, commented, "Novel treatments that can control or potentially cure chronic HBV infection, that are easy to administer, and are well tolerated, alone, or in combination with other treatments, are in high need." Wong added, "VRON-0200, with its potential to expand a patient's own immune response to control the infection, coupled with how it is given—as a single (prime) or double (prime and boost) injection into the arm muscle—has the potential to be an innovative therapy to address this high global unmet medical need for patients with chronic HBV."

About VRON-0200
VRON-0200 is a therapeutic immunotherapy, administered by intramuscular injection, designed with the goal of providing a functional cure for chronic HBV infection. While the virus itself stimulates HBV-specific $CD8^+$ T cells, for those patients that can't clear the initial infection, their T cells soon become exhausted, placing limits on their ability to proliferate and control the virus. Preclinical data support the hypothesis that VRON-0200, through checkpoint modification, can amplify, broaden, and enhance T cell responses to include T cells that are not normally activated during a chronic HBV infection, which results in improved viral control.

"The dosing of these first patients, in our lead VRON-0200 chronic HBV Phase 1b study, represents a major milestone in Virion's mission of bringing innovative immunotherapies to patients with cancer and chronic infectious diseases," said **Virion's CEO, Dr. Andrew Luber**. "Targeting T cell activation, via checkpoint modification, is unique to Virion. This first study, using our first checkpoint modifier, gD, not only benefits patients with chronic hepatitis B, but also, provides useful information for our proprietary platform technologies and pipeline, including VRON-0300, which is in development for patients with advanced solid tumors," Luber added.

Joint Venture Partnership
On October 11, 2023, **Ocean acquired a 50% ownership interest in Virion Therapeutics through a joint venture that includes all current and future Virion development programs.** In return, Ocean provided Virion with an initial contribution and will continue assisting Virion with financing, operational activities, and support for their development programs. Additionally, Ocean will provide Virion access to larger corporate resources, such as legal, financial,

administrative, human resources, and investor relations, to help support operations with the goal of taking the JV public in 2024, market conditions permitting. This is Ocean Biomedical's first joint venture and advances one of the pillars of Ocean's business model: multiplying assets by finding exciting companies and technologies to partner with, helping to bring innovative treatments to patients worldwide.

Ocean Biomedical co-founder and Executive Chairman Dr. Chirinjeev Kathuria commented: "This is another major clinical and business value inflection point for our company. Treatments for chronic HBV are in high demand and could capture an **estimated global market of $6.4+ billion by 2032**. Companies at a similar stage as our JV's VRON-0200 study, have seen large steps up in value. For example, VIR Biotechnology's value **increased by over $3.6 billion dollars** after they reported their initial 8 patient Phase 1 data. Ocean is pleased to partner with Virion in bringing this high-need, high-value treatment—aiming for a functional cure—to patients with chronic HBV around the world."

About Virion Therapeutics
Virion Therapeutics, LLC (Virion) is a clinical-stage company developing novel T cell-based immunotherapies to cure cancer and chronic infectious diseases that utilize proprietary genetically encoded checkpoint modifiers (CPMs) to enhance and broaden $CD8^+$ T cell responses to a tumor or chronic infection. Founded in early 2018, Virion has since developed a robust pipeline, including its lead VRON-0200 clinical program, and several additional IND-enabling programs, including VRON-0300 oncology program for advanced solid tumors, leveraging its proprietary platform technologies. In early Fall 2023, Virion and Ocean Biomedical entered into a joint venture to accelerate and expand Virion's pipeline of novel immunotherapies.

To learn more, visit www.VirionTx.com.

About Ocean Biomedical
Ocean Biomedical, Inc. is a Providence, Rhode Island-based biopharma company with an innovative business model that accelerates the development and commercialization of scientifically compelling assets from research universities and medical centers. Ocean Biomedical deploys the funding and expertise to move new therapeutic candidates efficiently from the laboratory to the clinic to the world. Ocean Biomedical is currently developing five promising discoveries that have the potential to achieve life-changing outcomes in lung cancer, brain cancer, pulmonary fibrosis, and the prevention and treatment of malaria. The Ocean Biomedical team is working on solving some of the world's toughest problems, for the people who need it most.

To learn more, visit www.oceanbiomedical.com.

Forward-Looking Statements
The information included herein and in any oral statements made on behalf of Ocean Biomedical, Inc. (the "Company") or otherwise in connection herewith include "forward-looking statements" within the meaning of the "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as "estimate," "plan," "project," "forecast," "intend," "will," "expect," "anticipate," "believe," "seek," "target," or other similar expressions that predict or indicate future events or trends or that are not statements of historical matters, although not all forward-looking statements contain such identifying words. These forward-looking statements include, but are not limited to, statements regarding estimates and forecasts of financial and performance metrics and expectations; the expected timing and success of IND filings for our initial product candidates; statements regarding the expected timing of our IND-enabling studies; the frequency and timing of filing additional INDs; expectations regarding the availability and addition of future assets to our pipeline; the advantages of any of our pipeline assets and platforms; the potential benefits of our product candidates; potential commercial opportunities; the timing of key milestones for our programs; the future financial condition, results of operations, business strategy and plans, and objectives of management for future strategy and operations; and statements about industry trends and other companies in the industry. These forward-looking statements are based on various assumptions, whether or not identified herein, and on the current expectations of the Company's management, and they are not predictions of actual performance. These forward-looking statements are provided for illustrative purposes only and are not intended to serve as and must not be relied on by any investor as, a guarantee, an assurance, a prediction, or a definitive statement of fact or probability. Actual events and circumstances are difficult or impossible to predict and will differ from assumptions.

Any discoveries announced by the Company are based solely on laboratory and animal studies. The Company has not conducted any studies that show similar efficacy or safety in humans. There can be no assurances that any treatment tested by the Company will prove safe or effective in humans, and that any clinical benefits of any such treatment is subject to clinical trials and ultimate approval of its use in patients by the FDA. Such approval, if granted, could be years away.

Forward-looking statements are predictions, projections, and other statements about future events that are based on current expectations and assumptions and, as a result, are subject to risks and uncertainties. These forward-looking statements are not guarantees of future performance, conditions, or results, and involve a number of known and unknown risks, uncertainties, assumptions, and other important factors, many of which are outside the control of the Company that could cause actual results or outcomes to differ materially from those discussed in the forward-looking statements. You should carefully consider the foregoing factors and the other risks and uncertainties that are described in the Company's Annual Report on Form 10-K for the year ended December 31, 2022 and in the Company's subsequent Quarterly Reports on Form 10-Q and other documents filed by the Company from time to time with the SEC and which are available at www.sec.gov. These filings identify and address other important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-looking statements. Forward-looking statements speak only as of the date they are made. We do not undertake any obligation to update any forward-looking statements made by us. These forward-looking statements should not be relied upon as

representing the Company's assessments as of any date subsequent to the date of this release. Accordingly, undue reliance should not be placed upon the forward-looking statements.

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