



## **Palvella Therapeutics Announces First Patient Dosed in Phase 3 Clinical Trial of QTORIN™ 3.9% Rapamycin Anhydrous Gel (QTORIN™ rapamycin) for the Treatment of Microcystic Lymphatic Malformations**

November 7, 2024

*Ongoing Phase 3 single-arm, baseline-controlled trial evaluating QTORIN™ 3.9% rapamycin anhydrous gel (QTORIN™ rapamycin) for the treatment of microcystic lymphatic malformations (microcystic LMs) currently enrolling approximately 40 subjects at leading vascular anomaly centers across the U.S.*

*Microcystic LMs is a chronically debilitating and lifelong genetic disease affecting an estimated more than 30,000 diagnosed patients in the U.S.*

*QTORIN™ rapamycin has the potential to be the first approved therapy and standard of care in the U.S. for microcystic LMs*

**WAYNE, PA., November 7, 2024** (GLOBE NEWSWIRE) — Palvella Therapeutics, Inc. (Palvella), a clinical-stage biopharmaceutical company focused on developing and commercializing novel therapies to treat patients suffering from serious, rare genetic skin diseases for which there are no FDA-approved therapies, today announced the first patient has been dosed in SELVA, a multicenter, Phase 3 clinical trial evaluating the safety and efficacy of QTORIN™ 3.9% Rapamycin Anhydrous Gel (QTORIN™ rapamycin) for the treatment of microcystic lymphatic malformations (microcystic LMs).

“Microcystic LMs result from hyperactivation of the causative PI3K/mTOR signaling pathway, creating genetically malformed lymphatic vessels which protrude the skin, persistently leak lymph fluid, and can cause acute cellulitis and hospitalizations,” said Joyce M. Teng, M.D., Ph.D., Professor of Dermatology and Pediatrics at Stanford University School of Medicine and SELVA Principal Investor. “Because this serious disease is present at birth and does not spontaneously regress, it can result in significant morbidity to adolescents and have a lifelong impact.”

QTORIN rapamycin is the lead product candidate from Palvella’s QTORIN platform. QTORIN rapamycin is a novel, patented 3.9% rapamycin anhydrous gel, which aims to harness the potential therapeutic benefits of rapamycin, a mammalian target of rapamycin (mTOR) inhibitor, while minimizing systemic exposure of rapamycin and potential adverse reactions associated with systemic therapy. QTORIN rapamycin is currently under development for the treatment of microcystic LMs, cutaneous venous malformations, and other serious, functionally debilitating skin diseases driven by the overactivation of the

mTOR pathway.

In the third quarter of 2024, Palvella initiated SELVA, a 24-week, Phase 3, single-arm, baseline-controlled clinical trial of QTORIN™ rapamycin administered once daily for the treatment of microcystic LMs. The primary efficacy endpoint is the change from baseline in the overall microcystic LM Investigator Global Assessment (mLM-IGA) at week 24. The Phase 3 study is enrolling approximately 40 subjects, age six or older, at leading vascular anomaly centers across the U.S. The FDA has granted Breakthrough Therapy Designation, Fast Track Designation and Orphan Drug Designation to QTORIN™ rapamycin for the treatment of microcystic LMs. Additionally, the SELVA study is supported by an Orphan Products Grant from FDA's Office of Orphan Products Development.

“In dosing the first patient in SELVA, we are pleased to achieve an important milestone towards our objective to deliver QTORIN™ rapamycin as the first targeted therapy for the estimated more than 30,000 diagnosed patients suffering from microcystic LMs in the U.S.,” said Wes Kaupinen, Founder and Chief Executive Officer of Palvella.

### **About Microcystic Lymphatic Malformations**

Microcystic LMs is a rare, chronically debilitating genetic disease caused by dysregulation of the phosphatidylinositol 3-kinase (PI3K)/mTOR pathway. The disease is characterized by malformed lymphatic vessels that protrude through the skin and persistently leak lymph fluid (lymphorrhea) and bleed, often leading to recurrent serious infections and cellulitis that can cause hospitalization. The natural history of microcystic LMs are persistent and progressive without spontaneous resolution, with symptoms generally worsening during life, including increases in the number and size of malformed vessels that lead to complications and lifetime morbidity. There are currently no FDA-approved treatments for the estimated more than 30,000 diagnosed patients with microcystic LMs in the United States.

### **About Palvella Therapeutics**

Founded and led by rare drug disease drug development veterans, Palvella Therapeutics is a clinical-stage biopharmaceutical company focused on developing and commercializing novel therapies to treat patients suffering from serious, rare genetic skin diseases for which there are no FDA-approved therapies. Palvella is developing a broad pipeline of product candidates based on its patented QTORIN™ platform, with an initial focus on serious, rare genetic skin diseases, many of which are lifelong in nature. Palvella's lead product candidate, QTORIN 3.9% rapamycin anhydrous gel (QTORIN™ rapamycin), is currently in clinical development for microcystic lymphatic malformations (microcystic LMs) and cutaneous venous malformations.

In July 2024, Palvella and Pieris Pharmaceuticals, Inc. (Nasdaq: PIRS) announced they have entered into a definitive merger agreement to combine the companies in an all-stock transaction.

## **Forward-Looking Statements**

This press release contains forward-looking statements concerning the development and commercialization of Palvella's products, the potential benefits and attributes of such products, and the company's expectations regarding its prospects, including the potential merger with Pieris Pharmaceuticals. Forward-looking statements are subject to risks, assumptions and uncertainties that could cause actual future events or results to differ materially from such statements. These statements are made as of the date of this press release. Actual results may vary. Palvella undertakes no obligation to update any forward-looking statements for any reason.

## **No Offer or Solicitation**

This press release is not intended to and does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy or an invitation to purchase or subscribe for any securities or the solicitation of any vote in any jurisdiction pursuant to the proposed transaction or otherwise, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law. No offer of securities shall be made except by means of a prospectus meeting the requirements of the Securities Act. Subject to certain exceptions to be approved by the relevant regulators or certain facts to be ascertained, the public offer will not be made directly or indirectly, in or into any jurisdiction where to do so would constitute a violation of the laws of such jurisdiction, or by use of the mails or by any means or instrumentality (including without limitation, telephone and the internet) of interstate or foreign commerce, or any facility of a national securities exchange, of any such jurisdiction.

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## **Important Additional Information About the Proposed Transactions Will be Filed with the SEC**

In connection with the proposed transaction between Pieris and Palvella, Pieris intends to file relevant materials with the SEC, including a registration statement on Form S-4 that will contain a proxy statement and prospectus of Pieris and an information statement of Palvella. PIERIS URGES INVESTORS AND STOCKHOLDERS TO READ THESE MATERIALS CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THESE MATERIALS, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT PIERIS, PALVELLA, THE PROPOSED TRANSACTION AND RELATED MATTERS. Investors and stockholders will be able to obtain free copies of the proxy statement/prospectus /information statement and other documents filed by Pieris with the SEC (when they become available) through the website maintained by the SEC at [www.sec.gov](http://www.sec.gov). In addition, investors and stockholders will be able to obtain free copies of the proxy statement/prospectus

/information statement and other documents filed by Pieris with the SEC free of charge on Pieris' website at [www.pieris.com](http://www.pieris.com), or by contacting Investor Relations by email at [info@pieris.com](mailto:info@pieris.com). Investors and stockholders are urged to read the proxy statement/prospectus/information statement and the other relevant materials when they become available before making any voting or investment decision with respect to the proposed transaction.

## **Participants in the Solicitation**

Palvella, Pieris and their respective directors and executive officers may be considered participants in the solicitation of proxies in connection with the proposed transaction. Information about Pieris' directors and executive officers is included in Pieris' most recent Annual Report on Form 10-K, as amended, including any information incorporated therein by reference, as filed with the SEC on March 29, 2024, and amended on April 29, 2024. Additional information regarding the persons who may be deemed participants in the solicitation of proxies will be included in the proxy statement/prospectus/information statement relating to the proposed transaction when it is filed with the SEC. These documents can be obtained free of charge from the sources indicated above.

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