Performance Update:

OIS@AAO • Chicago, IL • October 25, 2018

Michael E. Lachman
OIS Index: Composite of Ophthalmic Growth Stocks

Tracking the Investment Performance of Publicly Traded Small and Mid-Cap Growth Companies in Ophthalmology

- Launched at OIS@AAO, October 1, 2016
- Market Cap Weighted, with Companies Capped at 10% of Total Value
- Updated and Rebalanced Quarterly
- Six Companies Added: Apellis, Nightstar, Eyenovia, Unity Biotechnology, MeiraGTx, Bausch Health
- Two Companies Removed: TearLab, Realm Therapeutics
- 35 Companies: 65% Biopharma, 35% Ophthalmic Device
OIS Index Performance: First Year

October 1, 2016 – October 1, 2017

- Total US Market +16.4%
- NASDAQ Biotechnology Index +15.4%
- US Medical Devices +14.9%

Equity valuations from MarketXLS
Total US market based on Russell 3000 Index (^RUA)
US medical devices based on iShares US Medical Devices ETF (IHI)

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OIS Index Performance: Second Year

October 1, 2017 – October 1, 2018

- US Medical Devices +36.2%
- Total US Market +15.5%
- NASDAQ Biotechnology Index +9.8%

Equity valuations from MarketXLS

Total US market based on Russell 3000 Index (^RUA)

US medical devices based on iShares US Medical Devices ETF (IHI)
OIS Index: Key Drivers of Performance

Largest Positive Drivers: Three Ophthalmic Device Companies
- STAAR Surgical (+286%) – Revenue Trends and Visian Toric ICL FDA Approval
- Glaukos (+97%) – iStent inject FDA Approval; Alcon CyPass Withdrawal
- Carl Zeiss Meditec (+63%) – Steady Growth Across Business Units and Regions

Other Big Gainers
- KalVista Pharmaceuticals (+229%)
- EyePoint Pharmaceuticals (+198%)
- Aldeyra Therapeutics (+92%)
- AGTC (+85%)

Underperformance Driven by Pipeline Setbacks
- Spark Therapeutics (-39%)
- Kala Pharmaceuticals (-57%)
OIS Index: Key Events Over Next Six Months

Adverum Biotechnologies
- Phase 1/2 Preliminary Data in A1AT Deficiency in Q4-2018
- Plan to Initiate Phase 1 in wAMD in Q4-2018

Aldeyra Therapeutics
- Reproxalap for Allergic Conjunctivitis: Ph. 3 Results in Q4-2018/Early 2019

EyePoint Pharmaceuticals
- Planned Launches of DEXYCU and YUTIQ in H1-2019
Ocular Therapeutix
- *DEXTENZA* for Post-OP Pain: PDUFA Date: December 28, 2018
- OTX-TP for Glaucoma: Phase 3 Topline Efficacy Data in H1-2019

Aerie Pharmaceuticals
- *Roclatan* for Glaucoma: PDUFA Date: March 14, 2019

Nightstar Therapeutics
- Complete Phase 3 Enrollment in Choroideremia in H1-2019
OIS Index: Key Events Over Next Six Months (cont.)

Molecular Partners
- Abicipar (DARPin Therapy) for AMD: Allergan Plans FDA Filing in H1-2019
- Allergan plans to start Phase 3 in DME in 2019

STAAR Surgical and Glaukos
- Financial Performance Versus Raised Expectations

Alcon
- Spinoff from Novartis in H1-2019; Expected Addition to OIS Index
We Invite Your Feedback... Thank You!

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