Press Release

Balance sheet liabilities reduced by almost €8 million following a debt waiver

PARIS, France, July 27, 2023, 08:30 am CET – Pharnext SA (FR001400GUN7 - ALPHA) (the "Company"), an advanced late-clinical stage biopharmaceutical company developing novel therapeutics for neurodegenerative diseases with high unmet medical need, today announces an agreement with Bpifrance for a debt waiver of 7.95 million euros.

On February 24, 2023[1], the Company announced its decision to stop the development of its drug candidate PXT864 in Alzheimer's disease despite encouraging preclinical and clinical results, but remaining insufficient for commercial exploitation. Then the Company was unable to sign an agreement with an industrial partner to grant a license and continue the development of PXT864.

This Alzheimer's research program had been partly financed by Bpifrance (ex-OSEO) within the DIPPAL collaborative project[2], as a grant and a repayable advance. Repayment of this loan and payment of interest were based on commercialization of products resulting from the project (direct sales, licensing, development agreements) within 15 years of the last loan payment, i.e. by 2032.

Thanks to an amicable agreement with Bpifrance, which waived the amount of the loan received, and released the Company from all its obligations on the DIPPAL project, Pharnext's liabilities will be reduced by 7.95 million euros.

About Pharnext

Pharnext is an advanced clinical-stage biopharmaceutical company developing novel therapies for neurodegenerative diseases currently without satisfactory therapeutic solutions. Pharnext has a first-in-class drug candidate, PXT3003, in development for Charcot-Marie-Tooth disease type 1A (CMT1A), a rare, debilitating, inherited peripheral neuropathy. PXT3003 benefits from orphan drug status in Europe and the United States. In 2018, PXT3003 completed a Phase III clinical trial, the PLEO-CMT trial, with encouraging topline results. This trial was followed by an open-label extension study, the PLEO-CMT-FU trial, with 120 patients continuing treatment with PXT3003. Long-term data suggest a sustained benefit, safety, and efficacy, after 5 years of total trial time. An international pivotal Phase III study of PXT3003, the PREMIER trial, is currently ongoing with 387 CMT1A patients enrolled. PREMIER topline results are expected in Q4 2023. PXT3003 originated from the Pleotherapy™ R&D approach. Pharnext draws the attention of investors to the financial and other risk factors detailed in its financial reports. More information can be found at www.pharnext.com.
Pharnext is listed on the Euronext Growth Stock Exchange in Paris (ISIN code: FR001400GUN7).

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[1] Pharnext refocuses its clinical trial programs on PXT3003, its most promising drug candidate, to optimize financial resources allocation
[2] OSEO awards a €10.4 million funding package to Pharnext, Biosystems International, Bordeaux Hospital (CMRR), university Victor Segalen Bordeaux 2 and Inserm