Press Release

# Pharnext receives a new offer valuing its drug candidate for Charcot-Marie-Tooth disease type 1A at more than €500m and the support of its financial partners

**PARIS, France, October 30, 2023, 08:30 am CET – Pharnext SA (FR001400JXB0 - ALPHA)** (the "Company"), an advanced late-clinical stage biopharmaceutical company developing novel therapeutics for neurodegenerative diseases with high unmet medical need, today announces it has received a non-binding offer with economic terms significantly superior to the two binding offers previously announced, to sign an agreement valuing PXT3003[1], its most advanced drug candidate currently in a pivotal Phase III clinical trial (PREMIER trial) in Charcot-Marie-Tooth disease type 1A (CMT1A), a rare debilitating peripheral neuropathy.

This latest offer from one of the world's top 10 pharmaceutical companies concerns an exclusive license agreement with a lower total value, excluding royalties indexed to sales of the future drug, estimated at €510m, compared with more than €250m for the previous offers.

In addition, this new offer includes a first payment of €10m upon signature of an exclusive agreement, and a second payment of €70m if a license agreement is signed subsequently after publication of the first results of the pivotal Phase III clinical trial (PREMIER trial), expected before the end of the year.

As a reminder, this future agreement would complement the licensing agreement already signed in 2017 granting GeneNet (a research and development joint venture controlled by Tasly Pharmaceutical and owned 30% by Pharnext) with the commercialization rights for PXT3003 in CMT1A in Greater China (Mainland China, Hong Kong, Taiwan and Macau), and already generated an investment of €30m by Tasly in Pharnext.

In this context, Pharnext has decided to review this offer and give the new candidate, given its size and its undeniable recognition of the value of the drug candidate PXT3003, the time needed to formulate a binding offer within a reasonable timeframe. Pharnext will communicate on the progress of this final stage as soon as possible.

The signature of such agreements could cover Pharnext's financing needs, and thus terminate the OCEANE-BSA financing line subscribed by Global Tech Opportunities 13.

In order to give the company the financial comfort needed to negotiate such an agreement, Pharnext's two financial partners, Néovacs and Global Tech Opportunities 13, each agreed to postpone the deadline of their respective financing agreements to December 2024. The other terms of the financing agreements remain unchanged, and Pharnext will not incur any financial penalties as a result of the extension.

**Hugo Brugière, Manager of Pharnext, said**: "*This is a spectacular turn that we've just dreamed of. Not only does the new offer come from a laboratory with a world-renowned reputation in neurology and immunology, it's also doubly worthwhile. In the short term, with potential payments as early as 2023 of €80m. In the medium term, with an overall valuation of over €500m, compared with, dare I say it, just over €250m for the previous offers.*
*It is therefore with serenity, and thanks to the unwavering support of Neovacs and GTO13, that we enter this final stretch of discussions to finalize an agreement and focus on our mission: to bring to market as quickly as possible a medical solution for millions of suffering patients and families*."

[1] Marketing of PXT3003 is conditional on a positive pivotal Phase III clinical trial (PREMIER) and the approval of regulatory agencies

**About Charcot-Marie-Tooth Disease Type 1A ('CMT1A')**

Charcot-Marie-Tooth ('CMT') disease encompasses a heterogeneous group of inherited, severe, debilitating, progressive and chronic peripheral neuropathies. CMT1A, the most common type of CMT, is an orphan disease with a prevalence of 1/5000 people affecting about 150,000 people in Europe and the U.S. and about 1,500,000 people worldwide. The genetic mutation responsible for CMT1A is a duplication of the PMP22 gene coding for a peripheral myelin protein. The duplication of this gene results in overexpression of the PMP22 protein and failure of Schwann cells to produce normal myelin (neuronal sheath). The lack of a normal myelin structure and function leads to abnormal peripheral nerve conduction and axonal loss. As a result of peripheral nerve degradation, patients suffer from progressive muscle atrophy in both the legs and arms causing problems with walking, running and balance as well as abnormal hand functioning. They might also suffer from mild to moderate sensory disorders. First symptoms usually appear during adolescence and will progressively evolve throughout life. Patients with the most severe form of CMT1A end up in wheelchairs, representing at least 5% of cases. To date, no curative or symptomatic medications have been approved and treatment consists of supportive care such as orthotics, leg braces, physical and occupational therapy or surgery. More information can be found at https://pharnext.com/en/disease/charcot-marie-tooth.

**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 6 years of total trial time. An international pivotal Phase III study of PXT3003, the PREMIER trial, enrolling 387 CMT1A patients was completed in August 2023. 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: FR001400JXB0).

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