Press Release

Pharnext unveils new calendar for negotiations valuing its drug candidate in Charcot-Marie-Tooth disease type 1A

PARIS, France, November 27, 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 unveils a new calendar for negotiations to sign an agreement valuing PXT3003[1], its drug candidate in Charcot-Marie-Tooth disease type 1A (CMT1A), a rare debilitating peripheral neuropathy.

As announced[2], the Company received 3 offers to date, including 1 binding and 2 non-binding, from pharmaceutical companies. Based on the latest discussions with the candidates, these offers would generate a cash flow for Pharnext of up to €400m, excluding royalties indexed to sales of the future drug.

Given the closeness between the receipt of these offers and the publication of the publication of topline results from the pivotal Phase III clinical trial (PREMIER trial), planned for December 11, the Company has decided not to sign any exclusivity agreement at this stage. Confident indeed in the quality of the forthcoming clinical results, the Company decided to wait for their announcement before signing an exclusivity agreement with one of the pharmaceuticals. This additional time should enable candidates to adjust their offers on the basis of the new calendar, and potentially allow other candidates to come forward.

Hugo Brugière, Manager of Pharnext, said: "*We are now just a few days away from revealing the clinical results of our Phase III trial, and thus confirming the value of our drug candidate. It would have been easier for us to sign an agreement right away, with the assurance of immediately receiving a few million euros. But we're faced with a potential deal worth hundreds of millions euros, and we mustn't tremble when making choices. So we're waiting calmly and conscientiously for the clinical results before choosing a partner to bring this new product to market.*."

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.

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.

Disclaimer
Pharnext arranged convertible bonds financing (OCEAN-BSA) with Global Tech Opportunities 13 which, after receiving the shares resulting from the conversion or exercise of these instruments, will not remain shareholder of the Company.
The shares resulting from the conversion or exercise of the above-mentioned securities will generally be sold on the market at very short notice, which may create strong downward pressure on the share price.
Shareholders may suffer a loss of their invested capital due to a significant fall in the Company's share price, as well as significant dilution due to the large number of securities issued to Global Tech Opportunities 13.
Investors are advised to exercise extreme caution before deciding to invest in the securities of a listed company that carries out such dilutive financing transactions, particularly when they are carried out in succession. The Company wishes to point out that this is not the first dilutive financing transaction it has undertaken.
Investors are invited to familiarize themselves with the risks associated with these transactions, as mentioned in the press release above.

About Pharnext

[1] Marketing of PXT3003 is conditional on a positive pivotal Phase III clinical trial (PREMIER) and the approval of regulatory agencies
[2] 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

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 December 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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