

Pharnext executes a financing agreement with Néovacs for EUR 20.7 million net to further develop PXT3003 for Charcot-Marie-Tooth disease type 1A

- Following this financing program, carried out through the issuance of simple obligations in several tranches for a total nominal amount of approximately EUR 21 million (i.e., approximately EUR 20.7 million net) with share warrants attached, Néovacs could become a reference shareholder as from January 1st, 2024.
- This agreement allows Pharnext to renegotiate its existing financing agreements with Global Tech Opportunities 13 (GTO 13, Alpha Blue Ocean group) by terminating the loan agreement entered into in June 2022, upon repayment of its outstanding debt of EUR 5.5 million and by reducing the dilutive impact of the existing OCEANE-BSA program, which is now limited to EUR 26 million until the end of 2023.
- The cumulative financing resulting from these agreements brings a total potentially available net amount of approximately EUR 46.7 million (including approximately EUR 38.6 million net after repayment of an outstanding debt worth of EUR 5.6 million net and of EUR 2.5 million net to GTO 13 and Néovacs, respectively), and, subject to each party's satisfying its obligations, Pharnext considers that it would be able to finance its operations and the PREMIER trial (the results of which are expected in Q4 2023), until Q1 2024.

PARIS, France, on October 3rd, 2022 at 6:00pm (CET) – Pharnext SA (FR0011191287 - ALPHA) (the “**Company**”), an advanced late-clinical stage biopharmaceutical company developing novel therapeutics for neurodegenerative diseases with high unmet medical need, today announces the signature of a financing agreement, by which Néovacs (FR00140077X1 - ALNEV), a French biotech company focused on therapeutic vaccines targeting the treatment of autoimmune diseases and investment support of promising biotech and medtech companies, undertakes to subscribe to simple obligations to be issued by Pharnext in an issuance program spanning until July 2023, for a total nominal amount of EUR 21,093,800 (EUR 20.7 million net) (the “**Bonds**”).

This financing agreement (the “**Financing Agreement**”) also provides for the issuance to Néovacs of warrants of Pharnext shares attached to the first tranche of Bonds, which if exercised, could, as from January 1st, 2024, and until September 30, 2027 at the latest, give Néovacs access to up to one third (1/3) of Pharnext share capital (post dilution).

The subscription of the first tranche of Bonds, for a net amount of EUR 10.7 million notably allows Pharnext, to repay the following outstanding debt and terminate the following agreements: :

- The loan of up to a maximum amount of EUR 12 million granted on June 6, 2022, by Global Tech Opportunities 13 (member of the Alpha Blue Ocean group) (“**GTO13**”), of which an amount of EUR 5,5 million has already been drawn down (plus accrued interest in the amount of EUR 125,842) has been repaid early in cash; and
- The loan of an amount of EUR 2.5 million granted on August 22, 2022, by Néovacs which has been repaid with the amount of the subscriptions of the Bonds issued for the same amount.

As a result of the payment of this first tranche of Bonds and of these repayments, the net amount available to Pharnext will therefore be approximately EUR 2.6 million. For information purposes, the net amount of the second tranche of Bonds collected by Pharnext, the payment of which is expected later in October 2022, will amount to EUR 2.5 million.

The Financing Agreement provides for the payment to Néovacs of a structuring fee corresponding to 5% of the total amount of the financing (EUR 1,110,200) as well as a monthly interest of 1% on the nominal amount of the Bonds issued. As described below, the corresponding amounts will not, however, be paid in cash but will give rise to a receivable that may be used to pay, by way of set-off, the exercise price of the BSA_E, as also described below. It is also provided that in the

event that on December 31, 2023, one or several tranches are not drawn down for a reason exclusively and directly imputable to Néovacs, Pharnext will be re-credited of the amount corresponding to the commitment fee applied to the tranche(s) that has (or have) not been drawn down.

The discount offered for the subscription of each tranche of Bonds (from the second tranche onwards only), depends on their respective date of issuance (expected to occur from September 2022 to July 2023 but which may occur, at the latest, until December 2023): each tranche of Bonds other than the first tranche will be subscribed at a discount equal to 1% per month elapsed between the date of signature of the Financing Agreement and the date of issuance of the relevant tranche.

Accordingly, on an indicative basis, the total amount of the discount on the basis of a nominal amount of EUR 21,093,800 would amount to EUR 393.800 in the event that all of the Bonds Tranches are paid according to the envisioned timetable, i.e. until July 2023, it being noted that this amount may be higher in the event that the drawdown of the tranches spans beyond July 2023 and in any event, until December 2023 at the latest.

This Financing Agreement follows the press release published by Néovacs on August 8, 2022¹ in connection with its proposed financing to Pharnext and with the press release published on August 23, 2022² by Pharnext in connection with the grant of a EUR 2.5 million loan granted by Néovacs.

As part of entering into the Financing Agreement, GTO 13 and Pharnext also renegotiated their agreement dated June 4, 2021, for the issuance of convertible or exchangeable bonds into new and/or existing shares with subscription warrants ("OCEANE-BSA") attached, as amended in December 2021, in January 2022 and on June 6, 2022, (the "Amendment").

The Amendment, executed on September 30, 2022, therefore provides that the maximum nominal amount of OCEANE that may still be issued by Pharnext under this program now amounts to a total of EUR 26 million, divided into thirteen tranches of EUR 2 million each, to be subscribed monthly by GTO 13 and subject to certain conditions (including, in addition to certain customary conditions, Néovacs meeting its financing undertakings toward Pharnext under the Financing Agreement, Pharnext's market capitalization not dropping below EUR 2 million over a period of ten days prior to the payment of each tranche and GTO 13's holding of Pharnext securities being below 400% of the market capitalization as a result of the payment of the tranche), over the period from December 20, 2022³ to December 20, 2023 included. This results in the maximum nominal amount being reduced to EUR 62 million with respect to this financing program (as opposed to EUR 81 million as initially provided).

The maximum nominal amount of OCEANE that may still be issued by Pharnext under the Amendment (EUR 26 million) is below the maximum nominal amount of EUR 45 millions of OCEANE that could previously still be drawn down by Pharnext until June 2024 under the agreement in force (against December 2023 now), and as a result of this change, the dilutive impact with respect to Pharnext shareholders under this program has been diminished. No further commitment fees shall be paid to GTO 13 upon payment of each tranche.

Néovacs and Pharnext are currently parties to separate financing agreements with entities that are part of the Alpha Blue Ocean group. Those entities of the Alpha Blue Ocean group hold shares and/or securities giving access to, respectively, Pharnext share capital and Néovacs share capital, may therefore, depending on the conversions of OCEANE and/or the sales of shares made on the market, be in a position to hold a more or less substantial number of shares of each issuer. It is however specified that these entities from the Alpha Blue Ocean group (or any other entity of from the Alpha Blue Ocean group itself or its corporate officers) are not members of the boards of directors of Néovacs or of Pharnext and that at the date of execution of the Amendment, taking into account the number of Pharnext shares held by GTO 13 (less than 1%), as indicated by GTO 13, Pharnext considered that entering into the Amendment was not subject to special approval as required under the laws applicable to regulated agreements.

A financing to bring about the development of PXT3003 drug candidate for Charcot-Marie-Tooth disease type IA (CMT1A)

This financing by Néovacs will support Pharnext operations and cash requirements, in particular the Phase III PREMIER pivotal clinical trial assessing its PTX3003 drug candidate in CMT1A, a rare debilitating peripheral neuropathy with currently no existing approved therapy.

¹ Press release from Néovacs dated August 8, 2022: Néovacs plans on investing in Pharnext to finance the phase III pivotal clinical trial of PXT3003 for type 1A Charcot-Marie-Tooth disease

² Press release from Pharnext dated 23 August, 2022: Pharnext announces a loan agreement with Néovacs for an amount of EUR 2,5 million

³ No drawdown of OCEANE-BSA can occur before December 20, 2022.

The preliminary results of this trial are expected to be announced in Q4 2023. If positive, they will form the basis of a filing for the authorization to market PXT3003 as a treatment for CMT1A with the FDA in the United States of America and with the EMA in Europe.

A financing that (i) pays and replaces the EUR 12 million loan granted in June 2022 by GTO 13 (Alpha Blue Ocean) and (ii) completes the existing financing in the form of OCEANE-BSA granted by GTO 13 with the maximum amount now reduced to EUR 26 million, to be drawn before December 2023.

This new financing by Néovacs will allow Pharnext to terminate, after the early repayment (without penalty) of an existing outstanding debt of EUR 5.5 million and interest for approximately EUR 125,842, under the fixed-rate loan of a maximum total amount of EUR 12 million, with an annual interest rate of 9.5%, entered into with GTO 13 (member of the Alpha Blue Ocean group) on June 7, 2022. As part of this transaction, GTO 13 shall release all of the security interests it currently holds (on intellectual property rights, bank accounts and insurance receivables), which will then be put in place for the benefit of Néovacs as part of the Financing Agreement.

With regard to the financing program through the issuance of OCEANE-BSAs, entered into with GTO 13⁴, GTO has undertaken on September 30, 2022, in relation to the Amendment (to the issuance agreement executed on June 4, 2021, as later amended), to subscribe in cash for tranches of OCEANE-BSAs for a net amount of EUR 2 million per month, starting in December 2022 and ending in December 2023 inclusive (i.e. thirteen tranches for a maximum total of EUR 26 million). The subscription undertaking for each tranche is subject to certain conditions (including, in addition to certain customary conditions, Néovacs meeting its financing undertakings toward Pharnext under the Financing Agreement, Pharnext's market capitalization not dropping below EUR 2 million over a period of ten days preceding the payment of each tranche and GTO 13's holding of Pharnext securities being below 400% of the market capitalization as a result of the payment of the tranche

GTO 13 held, at the date of execution of the Amendment, a little less than 1% of the shares and voting rights of Pharnext.

A repayment in full of the outstanding debt under the loan entered into on August 22, 2022, with Néovacs and the implementation of a new financing by Néovacs via the issuance of simple bonds with BSA attached.

The Financing Agreement for a total nominal amount of EUR 21,093,800 (EUR 20.7 million net), provides for the issuance of a first tranche of Bonds for a nominal amount of EUR 10.7 million (EUR 10.7 million net), of which EUR 2.5 million will be used to repay the principal amount of the loan granted by Néovacs to Pharnext in August 2022⁵.

The Financing Agreement provides for the drawing afterwards by Pharnext of ten additional tranches, including two tranches of a net amount of EUR 2.5 million, respectively, in October and November 2022, then of EUR 1 million net, respectively, in December 2022 and January 2023, and finally of EUR 500,000 net per month from February 2023 to July 2023 inclusive.

The Financing Agreement and the Amendment, as well as the issuance of the Bonds and the warrants attached thereto (BSA_P et BSA_E) were respectively authorized by the Board of Directors of Pharnext on September 26, 2022 and their final terms were definitively set, by sub-delegation of the Board of Directors, by the Chief Executive Officer of Pharnext on September 30, 2022, on the basis of the 11th resolution (Delegation of authority granted to the Board of Directors to increase the share capital by issuing ordinary shares and/or any other securities, with cancellation of the shareholders' preferential subscription rights, in favor of a category of persons meeting certain characteristics (creditors of the Company)) of the Extraordinary General Meeting of the shareholders of Pharnext dated March 21, 2022.

At the date of execution of the Financing agreement and taking into account the terms and conditions of the BSA_P et BSA_E (as defined below), the OCEANE-BSA, the Financing Agreement and of the Amendment, the Company considers that the available amounts with respect to authorized issuance, as adopted in the 11th resolution mentioned above (i.e., a nominal amount of EUR 27,331,461.1914, out of the EUR 30,000,000 initially authorized, on the basis of the current nominal value per share of EUR 0.0002), are sufficient to allow, as the case may be, the issuance of corresponding new shares.

⁴ Agreement executed on June 7, 2021, and amended in December 2021, January 2022 then June 6, 2022

⁵ Press release from Pharnext dated 23 August 2022: Pharnext announces a loan agreement with Néovacs for an amount of EUR 2,5 million

(i) Share warrants attached to the Bonds will allow Néovacs to subscribe to up to one third of the share capital of Pharnext, as from January 1, 2024, and for a period of 5 years

Under the Financing Agreement, Néovacs will be allocated, immediately upon execution, a number of Pharnext share warrants attached to the Bonds equal to 50% of the number of Pharnext outstanding shares on the day preceding the date of execution of the Financing Agreement (the "BSA_P").

These BSA_P will potentially allow Néovacs to subscribe for up to one third (post dilution) of the share capital of Pharnext, from January 1, 2024, until September 30, 2027 at the latest, each BSA_P giving a right to subscribe for one Pharnext share (subject to re-adjustment of parity every six months).

The main terms and conditions of the Bonds and the BSA_P to be issued are detailed at the end of this press release.

It is specified that under the Financing Agreement, Pharnext has undertaken to communicate to the market its cash position dated as of less than three (3) calendar days as soon as this cash position drops, as the case may be, below EUR 2,750,000. Pursuant to this obligation, Pharnext hereby specifies that its cash position after the payment of the first tranche of the Bonds will be equal to approximately EUR 2.6 million.

(ii) Implementation of a trust (*fiducie*) to facilitate the exercise of share warrants and the sale of corresponding Pharnext shares, strictly pursuant to applicable rules

Néovacs will implement a trust (*fiducie-gestion*) (the "Trust") with respect to which Néovacs will be both settlor and beneficiary for the purposes of handling all of the transactions in relation to Pharnext share capital benefiting Néovacs under the Financing Agreement.

In concrete terms, Neovacs will transfer to the Trust all of the Bonds, BSA_P, receivables (including commitment fees and interest incurred), rights and obligations held towards Pharnext under the Financing Agreement. Pharnext shall then issue, free of charge, warrants to subscribe for Pharnext shares (the "BSA_E") to the Trust. The Trust will then be responsible for exercising the BSA_E by offsetting them against certain receivables (detailed below) that it will then hold against Pharnext.

The *fiducie-gestion* is a transaction by which a settlor (here, Néovacs alone) transfers goods, rights and pledges, present or future, to a trustee (here, the company Equitis Gestion) which, keeping them separate from its own assets, act with a determined purpose for the benefit of one (or several) beneficiary(ies) (here, Néovacs). Acting independently from the settlor and the beneficiary (Néovacs undertaking, moreover, to implement measures necessary to ensure that at all times the trustee may not be considered as a person closely associated to Néovacs within the meaning of Article 3.1.26 of the MAR Regulation).

The Financing Agreement thus provides that the Trust will proceed with the equitization of the receivables in shares (i.e., the conversion of a liquid receivable, due and payable in shares by way of set off) it will hold with respect to Pharnext, namely:

- the interest and fees relating to the EUR 2.5 million loan granted by Neovacs to Pharnext in August 2022, i.e., a total amount of EUR 50,000;
- the interest on the outstanding Bonds (equal to 1% per month);
- the commitment fee due by Pharnext to Neovacs under the Financing Agreement, i.e., an amount corresponding to 5% of the nominal amount of each tranche of Bonds (a total amount of EUR 1,110,200 in the event of the issuance of all tranches from September 2022 to July 2023)
- subject to certain conditions (detailed in the characteristics of the Bonds), the principal amount of the Bonds.

This equitization will consist of the exercise, by the trustee (Equitis Gestion), of the BSA_E and, if applicable, subject to the applicable contractual provisions, as from January 2024, of the BSA_P, by way of set-off against the receivables held against Pharnext, following their transfer to the Trust. The Pharnext shares so created and held by the trustee (on behalf of the Trust) will be sold on the market in accordance with the terms and conditions described hereinafter.

The Financing Agreement provides that, following the decision to exercise, if any, by the Trust, the BSA_E or BSA_P, the sales of Pharnext shares by the Trust may not represent more than 15% of the daily traded volumes. This

rate may be increased to 30% in the event of the occurrence of certain events⁶. The purpose of the Trust is not to retain the shares issued upon exercise of the BSA_E (and, if applicable, the BSA_P) insofar as the sale of these new shares is part of the equitization process.

(iii) Néovacs will be entitled to a seat on the Board of Directors of Pharnext

The Financing Agreement between Neovacs and Pharnext provides for the co-opting of a director appointed by Neovacs to sit on the board of directors of Pharnext as of the formation of the Trust, which is expected to occur in the weeks following the execution of the Financing Agreement.

Impact of the transaction in terms of management of liquidity risk and financing horizon

The execution of the Financing Agreement and of the Amendment allows Pharnext to, subject to satisfaction of certain conditions, continue the development of PXT3003 for the treatment of CMT1A and to bring Pharnext closer to the end of its pivotal Phase III PREMIER clinical trial. With the cumulated financing resulting from these agreements of a total amount potentially available of EUR 46.7 million net (including approximately EUR 38.6 million net after repayment of EUR 5.6 million net and of EUR 2.5 million net worth of outstanding debt toward, respectively, GTO 13 and Néovacs), and subject to satisfaction by each party (Pharnext, Néovacs and GTO 13) of its obligations, Pharnext considers that it be able to finance its operations and the PREMIER trial (first results expected in Q4 2023), with a cash runway to Q1 2024.

Main risks associated with the Financing Agreement and the Amendment

Pharnext considers that the main risks associated with the Financing Agreement with Néovacs and the Amendment with GTO 13 (Alpha Blue Ocean) (it being specified that the risks relating to OCEANE-BSA have already been mentioned when the issuance program was launched on June 4, 2021, prior to being modified under the Amendment) are the following:

- Both financing programs provide for the issuance of several types of complex securities (OCEANE-BSA with respect to GTO 13, and simple bonds with share warrants attached with respect to Néovacs giving access to the share capital of Pharnext and including notably a debt component;
- Satisfaction of the respective obligations of GTO 13 and Néovacs depend on the satisfaction by each party of their respective financing obligations according to the contemplated timeframe for the drawing for the benefit of Pharnext;
- The volume of completion of the financing program is uncertain and will depend on, among others, market conditions (notably, with respect to certain conditions provided in the Amendment in relation to the minimum market capitalization of Pharnext (EUR 2 million) during at least ten days prior to a drawing and to GTO 13's holding of Pharnext securities being below 400% of the market capitalization at the result of the payment of the given tranche;
- Both ongoing financing programs will result respectively in dilution by virtue of (i) the issuance of new shares in the event BSA_E are exercised (the exercise price being in this instance paid by set off with the receivables for interests and fees held by Néovacs against Pharnext and transferred to the Trust) as well as, as the case may be, of BSA_P, the exercise price being in this instance paid by set-off with all or part of the nominal value of the outstanding Bonds. The dilution that might result from the issuance of new shares is shown in the tables below;
- GTO 13 and the Trust will sell, respectively and independently, the shares newly issued at their discretion, which may affect the volatility, liquidity and market price of the shares of the Company. Although the process of ordered transfer by the Trust described above aims at limiting the effect thereof, the transfer of new shares issued from the exercise of BSA_E (as the case may be, and subject to contractual provisions, as from January 2024 of BSA_P) will likely drive down Pharnext share price and have an effect on the market price of Pharnext shares. It is recalled that although this effect, taking into consideration the considered volumes, is expected to stay below the effect (if any) of the transfers carried out by GTO 13 following the conversion (if any) of the OCEANE that it holds or may be in a position to hold, the combined effect of independent and non-concerted transfers carried out the same day by the Trust and GTO 13 may have an effect on and drive down the market price of Pharnext shares.

⁶ Namely (i) Phase III results of PXT3003 have not been declared positive on December 31, 2023, at the latest, or in the event of failure to subscribe OCEANE by GTO 13, (ii) if an event of default occurs under the Financing Agreement, or (iii) if there is a breach of the exclusivity undertaking by Pharnext toward Néovacs.

Potential dilutive impact resulting from the Financing Agreement and of the Amendment and theoretical effect of the issuance of new shares resulting from both the exercise of BSA_E, BSA_P (Financing Agreement with Néovacs) and of OCEANE (Amendment with GTO 13)

The market capitalization of the Company at the close of market on September 30, 2022, was approximately EUR 2.4 million (EUR €0.0006 per Pharnext share, including EUR €0.0002 of nominal value).

As an example only, the table below features the hypothetical effect on the capital structure of (i) the conversion of (a) all of the OCEANE currently held by GTO 13 (a nominal amount equal to EUR 7.3 million at the date of this press release), as well as of (b) all of the 13 tranches OCEANE which are provided to be subscribed for under the Amendment (a nominal amount equal to EUR 26 million) and of (ii) the exercise in totality of (a) the BSA_E (exercisable as from the formation of the Trust) and of (b) BSA_P (exercisable by the Trust as from 2024).

*Maximum potential dilution generated by the conversion of the totality of OCEANE-BSA and the exercise of the totality of the BSA_E and the BSA_P by a shareholder holding 1% of the share capital before the financing**

- Hypothetical impact as an example of the issuance on the investment of a shareholder currently holding 1° of the share capital of the Company (on the basis of the number of shares composing the share capital of the Company as of September 30, 2022, i.e., 3,989,334,569 shares)

	Shareholder's interest	
	Non diluted basis	Diluted basis**
Before the issuance	1.00 %	1.00 %
After the issuance only of new shares resulting from the conversion of the outstanding OCEANE (*)	0.00 %	0.20 %
After the issuance only of new shares resulting from the issuance and then the conversion of the 13 tranches of OCEANE to be issued pursuant to the Amendment (*)	0.00 %	0.07 %
After the issuance only of new shares resulting from the exercise of the totality of the BSA _P (***)	0.00 %	0.10 %
After the issuance only of new shares resulting from the exercise of the totality of the BSA _E (***)	0.00 %	0.16 %
TOTAL After the issuance of new shares resulting from the conversion of the totality of the outstanding OCEANE and those to be issued (*) and of the exercise of the totality of BSA _E et BSA _P pursuant to their respective terms (**)	1.00 %	0.03 %

* Theoretical computation carried out with respect to OCEANE on the basis of a conversion price equal to 94% of the lowest VWAP (as published by Bloomberg) over a period of fifteen (15) consecutive trading days preceding today's date, i.e., $0.0005 \times 94\% = 0.0005\text{€}$.

** The exercise of the totality of dilutive instruments may give rise to the issuance of a maximum indicative number of 132 888 862 512 shares.

*** assuming the subscription of the totality of the tranches of Bonds as provided by the Financing Agreement

Monitoring of the number of Bonds, BSA_P and BSA_E on the one hand, and of OCEANE-BSA held by GTO 13 on the other hand, and of the new shares resulting from their exercise and/or conversion (if any)

Pharnext will maintain on its website a table tracking the number of Bonds, outstanding BSA_P and BSA_E, and will continue, as it does already, to also maintain a table tracking the number of OCEANE held by GTO 13 as well as the number of new Pharnext shares resulting, respectively, from their exercise or conversion, as applicable, by GTO 13 or by the Trust.

Dr. David Horn Solomon, Chief Executive Officer of Pharnext, commented: “We are grateful to Néovacs’ investment in Pharnext. The Neovacs investment will allow us to further advance the development of PXT3003 in CMT1A. This will bring us one step closer to the completion of our pivotal Phase III trial, PREMIER and the announcement of top-line results in Q4 2023. PXT3003 could represent the first treatment specifically approved in CMT1A and has the potential to bring hope to thousands of patients who suffer in their everyday life from this rare and debilitating peripheral neuropathy.

Implementation of a reverse stock split procedure

Pharnext announced today, by way of a separate press release, the launch of a reverse stock split on the shares comprising its capital stock whereby one new share with a nominal value of 1 euro will equal 5,000 old shares with a nominal value of 0.0002 euro, as authorized by the Shareholders’ meeting held on June 17th, 2022, under the eighth resolution.

It is specified that the transaction is expected to begin, as from the BALO publication expected to occur on October 7, 2022, to start the operation on October 24, 2022 and that the suspension of conversions and of exercises of securities is expected to occur from Friday, October 21, 2022, to Tuesday, November 22, 2022. It is recalled in this regard that no exercise of BSA_E may occur, as the case may be, during the suspension period.

About Pharnext

Pharnext is an advanced clinical-stage biopharmaceutical company developing novel therapeutics for neurodegenerative diseases that currently lack curative and/or disease-modifying treatments. Pharnext has two lead products in clinical development. PXT3003 completed an international Phase III trial with positive topline results for the treatment of Charcot-Marie-Tooth disease type 1A (‘CMT1A’) and benefits from orphan drug status in Europe and the United States. An international pivotal Phase III study of PXT3003 in CMT1A, the PREMIER trial, is currently ongoing. PXT864 has generated encouraging Phase II results in Alzheimer’s disease and will be advanced through partnerships. Both of Pharnext’s lead assets 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: FR0011191287).

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Main features of the Bonds

Legal framework of the issuance	Board of Directors' meeting of September 26, 2022 and decision of the Chief Executive Officer of September 30, 2022 on the basis of the 11 th resolution (<i>Delegation of authority to be granted to the Board of Directors for the purpose of increasing the share capital by the issue of ordinary shares and/or any other securities, with cancellation of the shareholders' preferential subscription rights, to the benefit of a category of persons meeting specific characteristics (creditors of the Company)</i>) of the Extraordinary General Meeting of Shareholders of Pharnext of March 21, 2022.
Maximum nominal amount of the issuance:	EUR 21,093,800 (this amount may be higher in the event that, depending on the discount applicable in the event that the payment date of the tranches is postponed after July 2023 and at the latest until December 2023 (see " Subscription Price " below) and in order to guarantee the payment of the net amount of the tranches indicated below, it would be necessary to increase this maximum nominal amount.
Net amount of tranches:	September 2022: EUR 10.7 million October and November 2022: EUR 2.5 million per month; December 2022 and January 2023: EUR 1 million per month; February to July 2023 inclusive: EUR 0.5 million per month..
Maturity :	Repayment by thirds of the total number of Bonds issued under the Financing Agreement at the end of 3 years, 4 years and 5 years.
Early redemption by ways upon decision of the Bond holder:	<p>(i) In the event of the exercise of BSA_E by the Bondholder at any time from the drawdown date until the maturity date of the Bonds, up to the nominal value of the outstanding Bonds in excess of EUR ten million (€10,000,000), provided that (a) the nominal value of the outstanding Bonds is in excess of EUR ten million (€10,000,000) and (b) the latest cash position published by Pharnext is less than EUR two million seven hundred and fifty thousand (€2.750,000); or up to the nominal value of the outstanding Bonds exceeding EUR three million (€3,000,000), provided that (a) the nominal value of the outstanding Bonds is greater than three million (3,000,000), and that (b) the total nominal value of the outstanding OCEANE bonds under the OCEANE-BSA agreement is less than EUR three million (€3,000,000) euros (based on public information, be it in the table tracking the number of outstanding OCEANEs available on Pharnext's website or in Pharnext's press releases), or the Phase III clinical results of PXT3003 are not positive by December 31, 2023 at the latest, or GTO 13 fails to comply with the predetermined schedule for the issuance of the financing tranches under the OCEANE-BSA agreement as set forth in the Amendment (whether or not the terms of GTO 13's financing undertaking to Pharnext are met);</p> <p>(ii) in the event of the exercise of BSA_P up to the nominal value of the outstanding Bonds</p> <p>(iii) in the event of a breach of the undertaking not to use any other variable financing during the term of the Financing Agreement</p> <p>(iv) in the event of an event of default under the Financing Agreement.</p>
Early redemption upon decision by Pharnext:	Possible up to and including December 31, 2023, included (for an amount equal to one hundred and seventy-five percent (175%) of the nominal value (plus the corresponding accrued interest not already paid) of the outstanding Bonds so redeemed. From December 31, 2023, excluded, this amount shall be reduced to one hundred and twenty percent (120%) of the nominal value (plus any related accrued interest not already paid) of the outstanding Bonds so redeemed.
Interest:	1% per month paid (i) by way of set-off against the exercise price of the BSA _E , or against the exercise price of the BSA _P , as the case may be, in accordance with the terms of the trust agreement establishing the Trust; or (ii) failing that, in cash by bank transfer to the relevant Bondholder, on the redemption date of the relevant Bond.
Par value of the Bonds	EUR 100 per Bond

Subscription Price: Each tranche of Bonds will be subscribed at a discount equal to 1% per month elapsed between the date of signature of the Financing Agreement and the date of issuance of the relevant tranche, it being specified that the first tranche of Bonds, to be issued concurrently with the conclusion of the Financing Agreement, will be issued without any discount.

As an example, the total amount of the discount on the basis of a nominal amount of EUR 21,093,800 would amount to EUR 393,800 in the event that all of the Bonds Tranches are paid according to the time table, i.e. until July 2023, it being noted that this amount may be higher in the event that the drawdown of the tranches spans beyond July 2023 and in any event, until December 2023 at the latest.

Commitment fee: 5% of the nominal amount of the contemplated issuance.

Main features of the share warrants issued for the purposes of the equitization process (BSA_E)

Legal framework of the issue Board of Directors' meeting of September 26, 2022 and decision of the Chief Executive Officer of September 30, 2022 on the basis of the 11th resolution (*Delegation of competence to be granted to the Board of Directors for the purpose of increasing the share capital through the issue of ordinary shares and/or any other securities, with cancellation of the shareholders' preferential subscription rights in favour of a category of persons meeting certain characteristics (creditors of the Company)*) of the extraordinary general meeting of Pharnext shareholders of March 21, 2022.

Exercise price: 88% of the lowest volume-weighted average daily share price (LVWAP) during the pricing period (see below). This ratio may be lowered to 80% if the Phase III results of PXT3003 have not been declared positive by December 31, 2023 at the latest or in the event of failure of GTO 13 to subscribe for the OCEANE-BSAs in accordance with the timetable agreed in the Amendment.

Exercise period: The BSA_E may be exercised during a period of 5 years as from their issuance.

Pricing period: The trading days during which the Trust has not sold any Pharnext shares during the 15 trading days preceding the exercise date of the BSA_E.

Payment of the exercise price: Only by way of compensation with:

- the interest and commissions of the loan granted by Néovacs to Pharnext in August 2022, i.e. a total amount of EUR 50,000 euros;
- the interest of the outstanding Bonds (equal to 1% per month);
- the commitment fee payable by Pharnext to Neovacs under the Financing Agreement,
- under certain conditions, the principal amount of the Bonds.

Exercise ratio: 1 BSA_E gives the right to subscribe to 1 Pharnext share.

Conditions of sale of the shares issued upon exercise of the BSA_E:

The sales of Pharnext shares by the Trust will not represent more than 15% of the daily volumes. This rate may be increased to 30% in the event of the occurrence of certain events, namely (i) if the Phase III results of PXT3003 have not been declared positive by December 31, 2023 at the latest, or in the event of failure of GTO 13 to subscribe for the OCEANE, (ii) in the event of an event of default under the Financing Agreement, or (iii) in the event of non-compliance with the exclusivity undertaking given by Pharnext to Néovacs.

Main features of the share warrants (BSA_P)

Legal framework of the issuance Board of Directors' meeting of September 26, 2022 and decision of the Chief Executive Officer of September 30, 2022 on the basis of the 11th resolution (Delegation of authority to be granted to the Board of Directors to increase the share capital by issuing ordinary shares and/or any other securities, with cancellation of the preferential subscription rights of shareholders in favor of a

category of persons meeting specific characteristics (creditors of the Company) of the extraordinary general meeting of Pharnext's shareholders of March 21, 2022.

Number of share warrants issued:

A number of BSA_P equal to 50% of the number of outstanding shares preceding the execution date of the Financing Agreement.

Exercise period:

The BSA_P may be exercised from January 1, 2024 until the 5th anniversary of the date of execution of the Loan Agreement (September 30, 2027).

Exercise price:

EUR 0.01

Parity:

1 BSA_P gives the right to subscribe to 1 Pharnext share (unless legally adjusted)

Adjustment clause:

Every six (6) months from the issue of the BSA_P, the exercise parity of the BSA_P will be adjusted according to the following terms:

Initial parity x (number of outstanding shares on the day preceding the adjustment date / number of outstanding shares on the day preceding the date of signature of the Financing Agreement)

Redemption by the issuer:

Provided that all claims held by the Trust on Pharnext have been repaid by Pharnext or used by the Trust in connection with the exercise of BSA_P or BSA_E and that the daily volume-weighted average price of the Pharnext share is higher than 120% of the subscription price per share of a BSA_P for at least 20 consecutive days prior to the notification of redemption: repurchase at a price equal to the value of the BSA_P concerned as determined by the valuation firm Accuracy (16 avenue Matignon, 75008 Paris, 479 527 640 RCS Paris) or, in the absence of the firm Accuracy on the date in question, by an independent expert appointed by mutual agreement between Pharnext and the holder, on the basis of a volatility of the Pharnext share equal to the historical one-year volatility of the Pharnext share on the date of the envisaged repurchase, and the arithmetic average of the daily volume-weighted average prices of the Pharnext share during twenty (20) consecutive trading days preceding the date of notification by Pharnext of the envisaged repurchase.

In the event that the total exercise price of the BSAs actually paid by Néovacs to Pharnext is, at the date on which the BSA_P become exercisable, less than EUR 20,700,000 for a reason exclusively and directly imputable to Néovacs the issuer may repurchase for 1 euro a number of BSA_P equal to the formula:

$$\text{Nb of outstanding BSA}_P \times \frac{20,700,000 - \text{total Exercise Price of Share Warrants}}{20,700,000}$$