

Press Release

Nicox Provides First Half 2023 and Third Quarter 2023 Financial Results and Updates Key Milestones

- **Third quarter 2023 U.S. prescriptions for VYZULTA® increased by 22% over third quarter 2022**
- **NCX 470 Phase 3 Denali clinical trial over 65% randomized**
- **Net revenue €1.7 million for first half 2023 and €1.1 million for third quarter 2023**
- **Cash of €14.6 million on September 30, 2023**

October 20, 2023 – release at 7:30 am CET
Sophia Antipolis, France

Nicox SA (Euronext Paris: FR0013018124, ALCOX), an international ophthalmology company, today provided financial results for Nicox SA and its subsidiaries (the “Nicox Group”) for the first half of 2023 and for the third quarter of 2023 and provided an update on key future milestones.

“The NCX 470 Denali trial is on track to report data in 2025, with over 65% of the target number of patients randomized in the trial. NCX 470, a novel nitric oxide donating bimatoprost eyedrop, is our lead clinical asset and earlier this year we announced that potential annual global peak net sales of NCX 470, based on the profile from the first Phase 3 trial Mont Blanc, could exceed \$300 million.” said **Andreas Segerros, Chief Executive Officer of Nicox**. *“In parallel with the progress of the Denali trial, and the upcoming commercial launch of ZERVIATE in China, we are particularly focused on our financial situation and are evaluating all avenues to find a sustainable solution for the Company.”*

Key Future Milestones

- **Denali Phase 3 clinical trial evaluating NCX 470 in patients with open-angle glaucoma or ocular hypertension:** The trial is on track to generate topline results in 2025, based on current recruitment rates.
- **Initiation of Whistler Phase 3b clinical trial investigating NCX 470’s dual mechanism of action (nitric oxide and prostaglandin analog) in intraocular pressure (IOP) lowering:** The Whistler trial is expected to be initiated in Q4 2023 and to take approximately one year to complete.
- **Approval and launch of ZERVIATE in China by Nicox’s partner, Ocumension Therapeutics:** Expected in 2024.

First Half 2023 Financial Results

As of June 30, 2023, the Nicox Group had cash and cash equivalents of €19.0 million as compared with €21.4 million as of March 31, 2023, and €27.7 million as of December 31, 2022. The Company is currently funded until the end of June 2024, exclusively on the basis of the development of NCX 470. The Company is pursuing licensing discussions which could extend the cash runway. In parallel, the Company has initiated strategic discussions, including regarding potential merger and acquisition transactions and is also initiating discussions with its creditors to restructure its debt.

Net revenue¹ for the first half of 2023 was €1.7 million (consisting entirely of net royalty payments) versus €1.4 million (including €1.3 million in royalty revenue) for the first half of 2022.

Operating expenses for the first half of 2023 were €10.4 million compared to €12.7 million for the first half of 2022. The decrease in the operating expenses in the first half of 2023 compared to the first half of 2022 is explained by the completion of the first Phase 3 trial Mont Blanc in the third quarter of 2022.

The Nicox Group recorded a net loss of €6.6 million for the six months ended June 30, 2023, compared to a net loss of €17.0 million for the same period in 2022. The net loss in the first half of 2022 includes €11.1 million of non-cash items due to the decision to seek a partner to pursue the development of NCX 4251 in the U.S.

As of June 30, 2023, the Nicox Group had financial debt of €21.6 million, consisting of (i) €18.8 million in the form of a bond financing agreement with Kreos Capital signed in January 2019, (ii) a €1.6 million credit agreement guaranteed by the French State, and granted in August 2020 in the context of the COVID-19 pandemic and (iii) €1.2 million of present value attributed to the put option² granted in the November 2022 equity financing. The payment of this latter debt would only occur if the put option was exercised, subject to the conditions set out in footnote 2 below.

Third Quarter 2023 Financial Highlights

As of September 30, 2023, the Nicox Group had cash and cash equivalents of €14.6 million as compared with €19.0 million as of June 30, 2023, and €27.7 million as of December 31, 2022. Net revenue for the third quarter of 2023 was €1.1 million (entirely composed of net royalty payments). Net revenue for the third quarter of 2022 was €0.8 million (entirely composed of net royalty payments).

As of September 30, 2023, the Nicox Group had financial debt of €21.1 million, consisting of (i) €18.8 million in the form of a bond financing agreement with Kreos Capital signed in January 2019, (ii) a €1.5 million credit agreement guaranteed by the French State, and granted in August 2020 in the context of the COVID-19 pandemic and (iii) €0.8 million of present value attributed to the put option² granted in the November 2022 equity financing. The payment of this latter debt would only occur if the put option was exercised, subject to the conditions set out in footnote 2 below.

VYZULTA® (latanoprostene bunod ophthalmic solution), 0.024% U.S. prescriptions³ increased by 22% in the third quarter of 2023 compared to the same period in 2022. VYZULTA, exclusively licensed worldwide to Bausch + Lomb, is commercialized in more than 15 countries, including the U.S., and is also approved in a number of other countries. VYZULTA is indicated for the reduction of IOP in patients with open-angle glaucoma or ocular hypertension.

Only the figure related to the cash position of the Nicox Group as of December 31, 2022, is audited; all other figures in this press release are non-audited.

About Nicox

Nicox SA is an international ophthalmology company developing innovative solutions to help maintain vision and improve ocular health. Nicox's lead program in clinical development is NCX 470, a novel nitric oxide-donating bimatoprost eye drop, for lowering intraocular pressure in patients with open-angle glaucoma or ocular hypertension. Nicox generates revenue from VYZULTA® in glaucoma, licensed exclusively worldwide to Bausch + Lomb, and ZERVIATE® in allergic conjunctivitis, licensed in multiple geographies, including to Harrow, Inc. in the U.S., and Ocumension Therapeutics in the Chinese and in the majority of Southeast Asian markets.

¹ Net revenue consists of revenue from collaborations less royalty payments which corresponds to Net profit in the consolidated statements of profit or loss.

² In the case of a merger by acquisition (*fusion par absorption*), merger (*fusion par création d'une nouvelle société*), division (*scission*), or a change of control within the meaning assigned in article L.233-3 I of the French commercial code (Code de commerce) where the consideration for such transaction is Nicox shares at a value of less than €1.70, the exercise price of the warrants, Armistice can request that Nicox purchases the warrants granted to Armistice at their Black Scholes value (using pre-defined terms). The present value of this option is revised at each closure and the non-cash adjustment of the present value is recognized in the consolidated statement of profit or loss as a finance income or finance expense.

³ Bloomberg data comparing the period of the weeks ending July 7 to September 29, 2023 with the period of the weeks ending July 8 to September 30, 2022.

Nicox, headquartered in Sophia Antipolis, France, is listed on Euronext Growth Paris (Ticker symbol: ALCOX) and is part of the CAC Healthcare index.

For more information on Nicox, its products or pipeline, please visit: www.nicox.com.

Analyst coverage

Bryan, Garnier & Co
Edison Investment Research
H.C. Wainwright & Co

Eric Yoo
Pooya Hemami
Yi Chen

Paris, France
London, UK
New York, U.S.



The views expressed by analysts in their coverage of Nicox are those of the author and do not reflect the views of Nicox. Additionally, the information contained in their reports may not be correct or current. Nicox disavows any obligation to correct or to update the information contained in analyst reports.

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Forward-Looking Statements

The information contained in this document may be modified without prior notice. This information includes forward-looking statements. Such forward-looking statements are not guarantees of future performance. These statements are based on current expectations or beliefs of the management of Nicox S.A. and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. Nicox S.A. and its affiliates, directors, officers, employees, advisers or agents, do not undertake, nor do they have any obligation, to provide updates or to revise any forward-looking statements.

Risks factors which are likely to have a material effect on Nicox's business are presented in section 2.7 of the "Rapport Annuel 2022" and in section 4 of the "Rapport semestriel financier et d'activité 2023" which are available on Nicox's website (www.nicox.com).

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NICOX SA
INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	6 Months period ending June 30,	
	2023	2022
	<i>(in thousands of € except for per share data)</i>	
Revenues from collaborations	2,772	2,322
Royalty payments	(1,039)	(892)
Net Profit from collaborations	1,733	1,430
Research and development expenditures	(6,690)	(7,778)
Administrative expenses	(3,511)	(3,724)
Other income	457	371
Other expenses	(232)	(1,190)
Operating loss before amortization of intangible assets	(8,243)	(10,891)
Amortization of intangible assets	-	-
Impairment of intangible assets ⁽¹⁾	-	(10,472)
Operating loss	(8,243)	(21,363)
Finance income	3,314	3,915
Finance expense	(1,657)	(1,237)
Net financial income/(expense)	1,657	2,678
Loss before tax	(6,586)	(18,685)
Income tax (expense) / benefit	(20)	1,679
Net loss for the period	(6,606)	(17,006)

⁽¹⁾ Non-cash adjustment on NCX 4251 estimated fair value due to the Group decision to seek a partner to pursue the development in the U.S.

NICOX SA
INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As of June 30, 2023	As of Dec. 31, 2022
	<i>(in thousands of €)</i>	
ASSETS		
Non-current assets		
Goodwill	26,722	27,223
Intangible assets	31,136	31,692
Property, plant and equipment	414	240
Non-current financial assets	224	325
Total non-current assets	58,496	59,480
Current assets		
Clients	1,911	2,639
Government grants receivables	756	504
Other current assets	1,118	1,279
Prepayments	991	1,612
Cash and cash equivalents	19,011	27,650
Total current assets	23,787	33,684
TOTAL ASSETS	82,283	93,164
EQUITY AND LIABILITIES		
Shareholder's equity		
Issued capital	50,170	50,100
Share premium	538,132	538,202
Cumulative translation adjustment	7,405	7,665
Treasury shares	(989)	(978)
Accumulated deficit	(549,188)	(542,556)
Total Equity	45,530	52,433
Non-current liabilities		
Non-current financial liabilities	19,614	24,606
Deferred tax liabilities	7,206	7,341
Non-current provisions	686	578
Total non-current liabilities	27,506	32,525
Current liabilities		
Current financial liabilities	2,773	828
Trade payables	3,530	3,102
Deferred income	1,792	2,183
Other current liabilities	1,152	2,093
Total current liabilities	9,247	8,206
TOTAL LIABILITIES AND EQUITY	82,283	93,164