

December 21, 2023



Poxel Provides Corporate Update

- The Company remains focused on securing additional financing to execute its strategic plan in rare diseases
- Exclusive discussions with a leading investor to monetize royalties from TWYMEEG® (Imeglimin) sales in Japan
- Advanced discussions with several potential partners for each of the three Poxel's proprietary products: Imeglimin, PXL065 and PXL770
- New cost-saving plan, including a significant reduction in headcount, to adapt resources to the Company's current needs pending the resumption of its research and development activities
- Cash runway until March 2024, including tranches already drawn or fully available on the equity-linked financing facility with IRIS

LYON, France--(BUSINESS WIRE)-- Regulatory News:

[POXEL SA](#) (Euronext: POXEL - FR0012432516) (Paris:POXEL), a clinical stage biopharmaceutical company developing innovative treatments for chronic serious diseases with metabolic pathophysiology, including non-alcoholic steatohepatitis (NASH) and rare metabolic disorders, provides a corporate update.

With the priority objective of relaunching its R&D activities and executing its strategic plan in rare diseases, the Company has focused in recent months on securing additional financing, in particular non-dilutive solutions. In this context, the Company entered into exclusive negotiations with a leading investor to monetize royalties from TWYMEEG® (Imeglimin) sales in Japan. In addition, the Company is in advanced discussions – in some cases on an exclusive basis – with several potential partners for each of its three products: Imeglimin, for several countries not covered by its agreement with Sumitomo Pharma, PXL065 and PXL770.

Poxel's goal is to finalize one or more of these financing options and/or partnerships by the end of the first quarter of 2024.

Pending finalization of one or more of these agreements, and in a cautious approach given its limited financial visibility, the Company has entered into a new cost-saving plan, which includes a significant reduction in headcount and the departure of some members of Poxel's management team, in order to adapt the Company's cost structure to its current operating needs. Key functions that will enable the Company to finalize current transaction opportunities and continue its day-to-day operations are retained, with 6 people in charge of clinical, financial and business development functions.

As of September 30, 2023, total cash and cash equivalents were EUR 5.3 million (USD 5.6 million).

Based on:

- i. its cash position as of September 30, 2023,
- ii. the tranches already drawn¹ or fully available² as of the date of this press release under the equity-linked financing facility with IRIS,
- iii. no research and development expenses, and
- iv. a strict control of operating expenses,

Poxel expects that its resources, including funds available to it, will be sufficient to fund its operations and capital expenditure requirements until March 2024, by which time the Company expects to have finalized one or more of its ongoing transactions.

About Poxel SA

Poxel is a **clinical stage biopharmaceutical company** developing **innovative treatments for chronic serious diseases with metabolic pathophysiology**, including **non-alcoholic steatohepatitis (NASH)** and rare disorders. For the treatment of NASH, **PXL065** (deuterium-stabilized *R*-pioglitazone) met its primary endpoint in a streamlined Phase 2 trial (DESTINY-1). In rare diseases, development of **PXL770**, a first-in-class direct adenosine monophosphate-activated protein kinase (AMPK) activator, is focused on the treatment of adrenoleukodystrophy (ALD) and autosomal dominant polycystic kidney disease (ADPKD). **TWYMEEG®** (Imeglimin), Poxel's first-in-class product that targets mitochondrial dysfunction, is now marketed for the treatment of type 2 diabetes in Japan by Sumitomo Pharma and Poxel expects to receive royalties and sales-based payments. Poxel has a strategic partnership with Sumitomo Pharma for Imeglimin in Japan, China, and eleven other Asian countries. Listed on Euronext Paris, Poxel is headquartered in Lyon, France, and has subsidiaries in Boston, MA, and Tokyo, Japan.

For more information, please visit: www.poxelpharma.com

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¹ Since March 31, 2023, 4 additional tranches have been drawn for a total amount of EUR 2.3 million.

² The full drawdown of the IRIS equity-linked financing facility can only be executed subject to certain conditions, which are outlined in the Company's Universal Registration Document. At the date of this press release, the amount of redeemable bonds held by IRIS is EUR 6,370,000, and the Group has the ability to drawdown EUR 630,000 under the additional tranches.

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