May 11, 2023

SCYNEXIS Announces First Quarter 2023 Financial Results and Provides Corporate Update

- SCYNEXIS announced an exclusive license agreement with GSK plc (LSE/NYSE: GSK) for the global rights to develop and commercialize BREXAFEMME® (ibrexafungerp tablets). SCYNEXIS will receive an upfront payment from GSK of $90 million upon deal close with future performance-based milestone payments of up to $503 million and tiered royalties.
- SCYNEXIS ended Q1 with cash, cash equivalents and short-term investments of $54.8 million, and upon receipt of the upfront payment from GSK will have a projected cash runway of more than two years.

JERSEY CITY, N.J., May 11, 2023 (GLOBE NEWSWIRE) -- (NASDAQ: SCYX), a biotechnology company pioneering innovative medicines to overcome and prevent difficult-to-treat and drug-resistant infections, today announced financial results for the first quarter ended March 31, 2023.

“This quarter, we were very pleased to announce our partnership with GSK, which has the potential to create significant value and allow us to continue developing innovative therapies in areas of urgent need,” said David Angulo, M.D., President and Chief Executive Officer of SCYNEXIS. “There remains a pressing need for new antifungal drugs, and we are committed to developing groundbreaking therapies for patients. We are continuing to advance our clinical programs in ibrexafungerp, having recently completed enrollment in several late-stage clinical trials. The receipt of the upfront payment and potential for future milestones from our partner combined with our successful track record of delivering first-in-class medicines to market make us well-positioned to identify and advance solutions to critical health threats, including our next-generation triterpenoid antifungal SCY-247."

Corporate Developments

- On March 30, 2023, SCYNEXIS announced that the Company has entered into an exclusive agreement with GSK to commercialize and further develop BREXAFEMME® (ibrexafungerp tablets) for all indications. Under the terms of the License Agreement, SCYNEXIS will receive an upfront payment of $90 million upon deal close.

- SCYNEXIS is eligible to receive potential milestone-based payments totaling $503 million, including development, regulatory approval, commercial and sales milestone payments. GSK will also pay royalties based on cumulative annual sales to the Company in the mid-single digit to mid-teen range.

BREXAFEMME Commercial Updates

- BREXAFEMME net sales were $1.1 million in first quarter 2023 and $0.7 million in Q1 2022.

Ibrexafungerp Clinical Updates

- Enrollment is complete in the FURI and CARES Phase 3 trials evaluating ibrexafungerp as salvage therapy in refractory invasive fungal infections, including candidiasis.

- Enrollment is complete for the SCYNERGIA Phase 2 study evaluating the safety and efficacy of ibrexafungerp co-administered with voriconazole in patients with invasive pulmonary aspergillosis.

- Enrollment is complete for the VANQUISH Phase 3b open-label trial evaluating the safety and efficacy of ibrexafungerp in patients with complicated vulvovaginal candidiasis who failed to respond to treatment with fluconazole.

Ibrexafungerp Scientific Presentations and Publications

- Presented overview of the innovative study design of the ongoing Phase 3 MARIO trial investigating oral ibrexafungerp as a step-down therapy for invasive candidiasis and shared interim data analyses from its ongoing Phase 3 FURI and CARES studies at the 33rd Annual European Congress of Clinical Microbiology and Infectious Diseases (ECCMID) held in Copenhagen, Denmark, April 15-18, 2023.

First Quarter 2023 Financial Results

BREXAFEMME net product revenues increased to $1.1 million in Q1 2023, from $0.7 million in Q1 2022.

Cost of product revenue was $0.1 million in Q1 2023, compared to $0.1 million in Q1 2022.

Research and development expense for Q1 2023 was $6.8 million, compared to $5.7 million for Q1 2022. The increase of $1.1 million, or 19%, for the three months ended March 31, 2023, was primarily driven by an increase of $0.6 million in clinical development expense and an increase of $0.6 million in medical affairs expense.

Selling, general & administrative (SG&A) expense for Q1 2023 decreased to $4.8 million from $14.6 million for Q1 2022. The decrease of $9.8 million, or 67%, for the three months ended March 31, 2023, was primarily driven by a decrease of $7.3 million in commercial expense due to the costs incurred in the prior comparable period associated with the active promotion of BREXAFEMME which ceased in the fourth quarter of 2022, a decrease of $1.4 million in salary-related expense primarily driven by the workforce reduction in the fourth quarter of 2022 concentrated in the Commercial and Medical Affairs functions, a $0.5 million decrease associated with other Medical Affairs related expense, and a net decrease of $0.6 million in other selling, general, and administrative expenses.

Total other expense was $23.2 million for Q1 2023, versus total other income of $9.6 million for Q1 2022. During Q1 2023 and Q1 2022, SCYNEXIS recognized a non-cash loss of $21.7 million and a non-cash gain of $10.0 million, respectively, on the fair value adjustment of the warrant liabilities and non-cash loss of $0.4 million and a non-cash gain of $1.0 million, respectively, on the fair value adjustment of derivative liabilities.

Net loss for Q1 2023 was $33.9 million, or $0.71 basic loss per share, compared to a net loss of $5.5 million, or $0.17 basic loss per share for Q1 2022.

Cash Balance

Cash, cash equivalents and short-term investments totaled $54.8 million on March 31, 2023, compared to $73.5 million on December 31, 2022. Based on its current operating plan and upon receipt of the $90 million upfront payment from partner GSK, SCYNEXIS believes that its existing cash, cash equivalents and short-term investments will enable the Company to fund its operating requirements for more than two years.

About Triterpenoid Antifungals

Triterpenoid antifungals (also known as “fungerps”) are a novel class of structurally-distinct glucan synthase inhibitors that combine the well-established activity of glucan synthase inhibitors with the potential flexibility of having oral and intravenous (IV) formulations. They have demonstrated broad-spectrum antifungal activity against multidrug-resistant pathogens, including azole- and echinocandin-resistant strains. Ibrexafungerp is the first representative of this novel class of antifungal agents. Ibrexafungerp, formerly known as SCY-078, is currently approved in the U.S. for the treatment of vulvovaginal candidiasis and is in late-stage of development for invasive candidiasis and other indications. SCY-247 is a next generation fungerp in pre-clinical development for the treatment of life-threatening and often multi-drug resistant fungal diseases including *Candida auris* infections.

About SCYNEXIS

SCYNEXIS, Inc. (NASDAQ: SCYX) is a biotechnology company pioneering innovative medicines to help millions of patients worldwide overcome and prevent difficult-to-treat infections that are becoming increasingly drug-resistant. SCYNEXIS is developing its proprietary class of enfumafungin-derived, triterpenoid antifungal compounds (“fungerps") as broad-spectrum, systemic antifungal agents for multiple fungal indications. The U.S. Food and Drug Administration (FDA) approved the first representative of this antifungal class, BREXAFEMME® (ibrexafungerp tablets), in June 2021 for its first indication in vulvovaginal candidiasis (VVC), followed by a second indication in November 2022 for reduction in the incidence of recurrent VVC. Late-stage clinical investigation of ibrexafungerp for the treatment of life-threatening invasive fungal infections is ongoing. Additional assets in the novel “fungerp” class of antifungals are currently in pre-clinical and discovery phase, including the compound SCY-247. For more information, visit www.scynexis.com.

Forward-Looking Statements

Statements contained in this press release regarding expected future events or results are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including but not limited to statements regarding: SCYNEXIS’s expectation that it will have a cash runway of more than two years. Because such statements are subject to risks and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking statements. These risks and uncertainties include, but are not limited to, risks inherent in regulatory and other costs in developing products. These and other risks are described more fully in SCYNEXIS' filings with the Securities and Exchange Commission, including without limitation, its most recent Annual Report on Form 10-K filed on March 31, 2023, including under the caption "Risk Factors." All forward-looking statements contained in this press release speak only as of the date on which they were

made. SCYNEXIS undertakes no obligation to update such statements to reflect events that occur or circumstances that exist after the date on which they were made.

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SCYNEXIS, INC.
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share data)

	March 31, 2023	December 31, 2022
Assets		
Current assets:		
Cash and cash equivalents	$ 26,913	$ 45,814
Short-term investments	27,908	27,689
Prepaid expenses and other current assets	1,726	2,503
Accounts receivable, net	2,060	2,101
Inventory, net	1,105	899
Restricted cash	55	55
Total current assets	59,767	79,061
Other assets	7,444	5,511
Deferred offering costs	73	73
Restricted cash	163	163
Intangible assets, net	309	408
Operating lease right-of-use asset (See Note 8)	2,540	2,594
Total assets	**$ 70,296**	**$ 87,810**
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 5,925	$ 5,937
Accrued expenses	4,775	5,628
Other liabilities, current portion (See Note 7)	—	5,771
Operating lease liability, current portion (See Note 8)	296	282
Loan payable, current portion	34,648	—
Total current liabilities	45,644	17,618
Warrant liabilities	40,317	18,644
Convertible debt and derivative liability (See Note 7)	11,407	11,001
Loan payable	—	34,393

Operating lease liability (See Note 8)	2,842	2,921
Total liabilities	100,210	84,577
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, $0.001 par value, authorized 5,000,000 shares as of March 31, 2023 and December 31, 2022; 0 shares issued and outstanding as of March 31, 2023 and December 31, 2022	—	—
Common stock, $0.001 par value, 150,000,000 shares authorized as of March 31, 2023 and December 31, 2022; 33,327,627 and 32,682,342 shares issued and outstanding as of March 31, 2023 and December 31, 2022, respectively	36	36
Additional paid-in capital	426,214	425,485
Accumulated deficit	(456,164)	(422,288)
Total stockholders' (deficit) equity	(29,914)	3,233
Total liabilities and stockholders' equity	**$ 70,296**	**$ 87,810**

SCYNEXIS, INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except share and per share data)

	Three Months Ended March 31,	
	2023	**2022**
Revenue:		
Product revenue, net	$ 1,130	$ 687
Operating expenses:		
Cost of product revenue	137	99
Research and development	6,835	5,735
Selling, general and administrative	4,840	14,591
Total operating expenses	11,812	20,425
Loss from operations	(10,682)	(19,738)
Other expense (income):		
Amortization of debt issuance costs and discount	255	390
Interest income	(587)	(13)
Interest expense	1,447	1,059
Other income	—	(13)
Warrant liabilities fair value adjustment	21,673	(10,030)
Derivative liabilities fair value adjustment	406	(980)
Total other expense (income)	23,194	(9,587)
Loss before taxes	(33,876)	(10,151)
Income tax benefit	—	(4,700)
Net loss	$ (33,876)	$ (5,451)

Net loss per share attributable to common stockholders – basic		
Net loss per share – basic	$ (0.71)	$ (0.17)
Net loss per share attributable to common stockholders – diluted		
Net loss per share – diluted	$ (0.71)	$ (0.18)
Weighted average common shares outstanding – basic and diluted		
Basic	47,757,246	32,051,228
Diluted	47,757,246	33,189,428

Source: Scynexis