



Poxel Announces Drawdown of the Remaining Two Tranches of its Equity-linked Financing Facility and Provides Corporate Update

- Total of EUR 2 million drawn down to complete the equity-linked financing facility of EUR 6 million with Iris Capital Investment (IRIS)
- Company in active discussions with IPF Partners (IPF) to restructure the current debt agreement with the objective to fund its operations and capital expenditure requirements beyond December 2023
- Cash and Cash equivalents were EUR 17.1 million as of September 30, 2022

LYON, France--(BUSINESS WIRE)-- [POXEL SA](#) (Euronext: POXEL – FR0012432516), a clinical stage biopharmaceutical company developing innovative treatments for chronic serious diseases with metabolic pathophysiology, including non-alcoholic steatohepatitis (NASH) and rare metabolic disorders, today announced the drawdown of the remaining two tranches of the convertible bonds as part of the equity-linked financing facility with Iris Capital Investment (IRIS) representing a total of EUR 2 million.

Thomas Kuhn, Chief Executive Officer of Poxel, stated: *“Following the recent release of our encouraging PXL065 Phase 2 study data in NASH, we are focusing on partnering for PXL065 and securing additional funding to launch our proof-of-concept studies in adrenoleukodystrophy. In the meantime, we have elected to draw down the remaining two tranches of the financing with IRIS. We are also in active discussions with IPF to further restructure the current debt agreement, including revising current debt covenants before February 2023, to extend the cash runway.”*

On August 8, 2022, the Company entered into an equity-linked financing for up to EUR 6 million with IRIS, with EUR 4 million drawn down immediately. The detailed characteristics of this equity-linked financing are described in the August 8, 2022 Company press release¹.

The follow-up of the convertible bonds conversion as part of the equity-linked financing is available in the [Regulatory Documentation](#) section of Poxel’s website.

Corporate Update

The Company currently expects that its resources will be sufficient to fund its operations and capital expenditure requirements through December 2023. The Company is actively pursuing a number of financing options, including active partnership discussions related to its

programs. To meet its debt covenants² through February 2023, the Company is in active discussions with IPF to restructure the current debt agreement and revise the current debt covenants.

For territories not covered by its agreement with Sumitomo Pharma, Poxel is in ongoing discussions with various potential partners for Imeglimin, including in India, where local companies have recently received approval for Imeglimin. Poxel is committed to assert its rights in connection with its assets.

Furthermore, in order to preserve cash and further adapt the Company's resources to its current and future focus in rare diseases, the Company has initiated a savings plan, including a workforce reduction.

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 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 [Poxel Announces Extended Cash Runway with Debt Restructuring Agreement and Equity-linked Financing Facility.](#)

² Following the debt restructuring agreement with IPF Partners (IPF) as announced on August 8, 2022, the Company shall maintain a minimum cash position between EUR 15 million and EUR 10 million over the period September 2022 through January 2023. After

such date, the financial covenants prior to the debt restructuring will be reinstated and include maintaining a minimum cash position of the highest of EUR 10 million and the sum of the consolidated debt service of the Group and the amount of cash required to be spent by the Group as part of its operations, in each case for the following 6-month period.

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