October 15, 2020

Poxel Secures EUR 6 Million in Non-Dilutive Financing Guaranteed by the French Government

- **Approvals received from BNP Paribas, Bpifrance and CIC Lyonnaise de Banque for EUR 6 million in non-dilutive financing in the form of a French Government Guarantee Loan (PGE Loan)**
- **New funding strengthens Poxel's financial position**
- **As of June 30, 2020, Poxel's cash and cash equivalents[1] were EUR 46.0 million (USD 51.5 million)**

LYON, France--(BUSINESS WIRE)-- POXEL SA (Euronext – POXEL – FR0012432516), a biopharmaceutical company focused on the development of innovative treatments for metabolic disorders, including type 2 diabetes and non-alcoholic steatohepatitis (NASH), today announced that it has received financing approval from BNP Paribas, Bpifrance and CIC Lyonnaise de Banque for a total of EUR 6 million in the form of state-guaranteed loans (Prêts Garantis par l'Etat, or PGE in France) in the context of the COVID-19 pandemic.

"Over the last several months, we have strengthened our cash position with a capital raise, a milestone payment from our partner, Sumitomo Dainippon Pharma, based on the Imeglimin New Drug Application submission in Japan, and now, through this non-dilutive loan. We would like to thank the French government and our banking partners for this funding which will allow us to further advance our research and development activities," said Thomas Kuhn, CEO of Poxel.

Each individual lender will provide a loan of EUR 2 million. The French government will guarantee 90% of the amount due in the case of default.

Each loan has an initial term of one-year, with a five-year extension option.

About Poxel SA

Poxel is a **dynamic biopharmaceutical company** that uses its extensive expertise in developing **innovative drugs for metabolic diseases**, with a focus on **type 2 diabetes** and **non-alcoholic steatohepatitis (NASH)**. In its mid-to-late stage pipeline, the Company is currently advancing three drug candidates as well as earlier-stage opportunities. **Imeglimin**, Poxel's first-in-class lead product, targets mitochondrial dysfunction. Poxel has a strategic partnership with Sumitomo Dainippon Pharma for Imeglimin in Japan, China, South Korea, Taiwan and nine other Southeast Asian countries. A Japanese new drug application (J-NDA) is under review by the Pharmaceuticals and Medical Devices Agency (PMDA) to request

approval for the manufacturing and marketing of Imeglimin for the treatment of type 2 diabetes. Poxel also established a partnership with Roivant Sciences for Imeglimin's development and commercialization in countries outside of the partnership with Sumitomo Dainippon Pharma, including the U.S. and Europe. **PXL770**, a first-in-class direct adenosine monophosphate-activated protein kinase (AMPK) activator, has successfully completed a Phase 2a proof-of-concept trial for the treatment of NASH. The Phase 2a trial met its primary endpoint and study objectives. PXL770 could also have the potential to treat additional metabolic diseases. **PXL065** (deuterium-stabilized R-pioglitazone), a MPC inhibitor, is in a single Phase 2 trial for the treatment of NASH. Poxel also has additional earlier-stage programs from its AMPK activator and deuterated TZD platforms targeting chronic and rare metabolic diseases. The Company intends to generate further growth through strategic partnerships and pipeline development. 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.

In the context of the COVID-19 outbreak, which was declared a pandemic by the World Health Organization (WHO) on March 12, 2020, the Company is regularly reviewing the impact of the outbreak on its business.

As of the date of this press release, and based on publicly available information, the Company has not identified the occurrence of any material negative effect on its business due to the COVID-19 pandemic that remains unresolved. However, the Company anticipates that the COVID-19 pandemic could have further material negative impact on its business operations. The worldwide impact of COVID-19 may notably affect the Company's internal organization and efficiency, particularly in countries where it operates and where confinement measures are implemented by the authorities. In addition, COVID-19 may impact market conditions and the Company's ability to seek additional funding or enter into partnerships. Particularly, delays in the supply of drug substance or drug products, in the initiation or the timing of results of preclinical and/or clinical trials, as well as delays linked to the responsiveness of regulatory authorities could occur, which could potentially have an impact on the Company's development programs and partnered programs. The Company will continue to actively monitor the situation.

All statements other than statements of historical fact included in this press release about future events are subject to (i) change without notice and (ii) factors beyond the Company's control. These statements may include, without limitation, any statements preceded by, followed by or including words such as "target," "believe," "expect," "aim," "intend," "may," "anticipate," "estimate," "plan," "project," "will," "can have," "likely," "should," "would," "could" and other words and terms of similar meaning or the negative thereof. Forward-looking statements are subject to inherent risks and uncertainties beyond the Company's control that could cause the Company's actual results or performance to be materially different from the expected results or performance expressed or implied by such forward-looking statements.

[1] Net of financial liabilities as defined in our annual financial statements.

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