NOXXON PHARMA N.V. REPORTS 2020 FINANCIAL RESULTS

Berlin, Germany, April 28, 2021, 06.00 p.m. CEST - NOXXON Pharma N.V. (Euronext Growth Paris: ALNOX), a biotechnology company focused on improving cancer treatments by targeting the tumor microenvironment (TME), announced today its financial results for the fiscal year ending December 31, 2020.

"The year 2020 has been a year of resilience for NOXXON, that successfully continued its clinical development and activities while adapting to the health situation. With its new Scientific Advisory Board, composed of eminent experts in pancreatic cancer, and a strong cash position, NOXXON is now in a perfect position to accelerate the development of its main drug candidate, NOX-A12, which showed promising results in its completed combination trial with Merck's Keytruda® in pancreatic and colorectal cancer patients and has very recently advanced in the final phases of its Phase 1/2 dose-escalation study in combination with radiotherapy in first-line brain cancer patients. We are thrilled by the prospects that are waiting for NOXXON in 2021 and are more than ever convinced that our unique approach to target the tumour microenvironment can enhance the way cancer is treated," said Aram Mangasarian, CEO of NOXXON.

Highlights for 2020 and 2021 Year-to-Date

In 2020, NOXXON successfully raised €14.5 million which allowed the company to advance its strategic goals. Cash secured in 2020 and 2021 combined with the available convertible bond financing vehicle has extended NOXXON's financial visibility to Q2 2022. Despite the COVID-19 pandemic, the company has continued its clinical development and investment activities as planned with minimal delay or disruption.

NOX-A12 + Immunotherapy Clinical Trial in Heavily Pre-Treated Metastatic Pancreatic and Colorectal Cancer Patients

In 2020, NOXXON completed the clinical trial of the combination of NOX-A12 with Keytruda® in heavily pre-treated metastatic micro-satellite stable pancreatic and colorectal cancer patients. One of the most interesting aspects of final top-line data, published by Prof. Niels Halama at the European Society for Medical Oncology (ESMO) Congress in September 2020, was the updated overall survival data showing that three patients, including two receiving their fourth line of therapy for metastatic pancreatic cancer, had lived more than one year and one of them living for almost two years. Overall, data from this study confirmed NOX-A12's mechanism of action and demonstrated that as monotherapy, NOX-A12 penetrates the tumor tissue where it neutralizes its target. This mechanism allows NOX-A12 to stimulate an increased immune response within the tumor, making the tumor microenvironment immunologically "hotter". In the second part of the study, when NOX-A12 was then combined with Merck's anti-PD-1 immunotherapeutic antibody, Keytruda®, 25% of patients achieved stable disease according to the iRECIST criteria, despite only 5% having any response to their prior anti-cancer treatment before entering the NOXXON clinical trial.

NOX-A12 + Radiotherapy Clinical Trial in First Line Brain Cancer Patients

Throughout 2020 and to date, NOXXON has successfully advanced its Phase 1/2 dose-escalation study of NOX-A12 in first-line brain cancer patients in combination with radiotherapy, conducted in six clinical centers in Germany. The company completed recruitment of patients into the last of the three planned cohorts in April 2021. Preliminary data from the first dose group showed tumor reductions in all three patients, with one patient achieving a durable – longer than four months –

objective response (tumor volume reduction of >50%). Top-line data from the second cohort will be reported in May 2021 and the one from the third cohort later in November 2021.

Scientific Advisory Board
In February 2021, NOXXON appointed a Scientific Advisory Board (SAB) under the chairmanship of Dr. Jose Saro. The SAB includes four leading pancreatic cancer experts: Dr. Elena Gabriela Chiorean, Dr. Eileen M. O'Reilly, Prof. Dr. Thomas T. W. Seufferlein and Dr. Daniel D. Von Hoff. The formation and composition of the SAB reflect NOXXON's clinical development strategy as the company prepares to initiate a two-arm Phase 2 trial in pancreatic cancer in Europe and the US.

Manufacturing & Drug Supply
To meet the needs of upcoming clinical trials leading to approval of NOX-A12, NOXXON has made investment commitments and initiated manufacturing of drug supply of NOX-A12. In addition, NOXXON also initiated NOX-E36 manufacturing for future clinical trials.

COVID-19
After careful assessment of risks associated with the global COVID-19 pandemic, the company has implemented risk mitigating steps that minimized the impact of the pandemic on the organization. Overall, the impact of the pandemic on the operations, clinical trials and finances has been manageable and was limited in scope.

Strong Cash Position on December 31, 2020
On December 31, 2020, NOXXON had cash resources of €10.3 million. The company successfully raised €14.5 million in cash in 2020 through multiple private placements, exercises of outstanding warrants to purchase NOXXON's shares, and the Atlas Special Opportunities (ASO) financing vehicle of which €12.8 million is still available. Subsequent to December 31, 2020, the company raised an additional €6.4 million from a private placement. These financings combined with the potential of the ASO vehicle have extended the financial visibility to Q2 2022.

2020 Financial Summary

In both, Fiscal Year 2020 (FY 2020) and Fiscal Year 2019 (FY 2019), NOXXON did not generate any revenues. The Group – NOXXON Pharma N.V. and NOXXON Pharma AG – does not expect to generate revenues from any product candidates currently in development, until the Group either signs a licensing agreement, obtains regulatory approval and commercializes its products, or enters into collaborative agreements with third parties.

Other operating income decreased from €279 thousand in FY 2019 to €147 thousand in FY 2020. In 2020, other operating income resulted from sale of raw materials, services provided, the derecognition of benefits waived and the derecognition of liability, as well as other income, mainly resulting from foreign exchange differences.

Research and development (R&D) expenses increased from €2,108 thousand in FY 2019 to €4,017 thousand in FY 2020. The increase in R&D expenses in 2020 compared to 2019 was mainly due to higher costs for drug manufacturing, service fees and other costs related to clinical trials and preclinical testing. Personnel expenses included non-cash share-based payment expenses amounting to €51 thousand in 2020 and €53 thousand in 2019. When such non-cash share-based payment expenses are not taken into account, the remaining personnel expenses were €622 thousand in 2020 and €530 thousand in 2019.

General and administrative (G&A) expenses decreased from €2,115 thousand in FY 2019 to €1,881 thousand in FY 2020. The decrease in G&A expenses in 2020 was mainly driven by lower legal, consulting and audit fees as well as public and investor relations expenses compared to 2019, partly offset by higher personnel expenses. Personnel expenses included non-cash share-based payment expenses amounting to €111 thousand in 2020 and €54 thousand in 2019. When such non-cash share-based payment expenses are not taken into account, the remaining personnel expenses were €858 thousand in 2020 and €741 thousand in 2019.

Foreign exchange losses increased from €4 thousand in FY 2019 to €18 thousand in FY 2020, due to a higher volume of purchases denominated in currencies other than Euro in FY 2020.

Finance income (all non-cash) decreased from €3,091 thousand in FY 2019 to €418 thousand in FY 2020. Finance income of €406 thousand resulted from the derecognition of conversion rights in connection with the ASO financing upon conversion of the bonds and of €12 thousand relating to the cashless exercise of warrants.

Finance cost in FY 2020 and FY 2019 was non-cash, except for transaction costs of €123 thousand in 2020 borne by the Group in conjunction with its issuance of convertible bonds. Finance cost of €3,153 thousand related to the ASO financing entered into in 2020 and reflected losses on initial recognition of convertible bonds, conversion losses and conversion right derivatives as well as transaction costs. Further, €998 thousand of finance cost related to the exercise of warrants by Yorkville, €878 thousand related to the cashless exercise of all remaining Acuitas warrants outstanding and €23 thousand related to the fair value adjustments of detachable warrants issued to Kreos, Yorkville and certain other investors and €3 thousand related to interest expense for lease liabilities.

As a result of the above factors, the Group's loss before income tax increased by €9,546 thousand from €860 thousand in FY 2019 to €10,406 thousand in FY 2020 (thereof loss from operations amounting to €5,769 thousand in FY 2020 vs. €3,948 thousand in FY 2019, resulting in an operating cash outflow of €5,224 thousand in FY 2020 vs. €4,286 thousand in FY 2019).

Income tax expenses decreased to nil in FY 2020 from €1 thousand in FY 2019.

On December 31, 2020, the Group had cash resources of €10.3 million (compared to €1.4 million on December 31, 2019). The Group succeeded in raising €14.5 million in 2020 from multiple sources, including private placements, exercises of outstanding warrants and the ASO financing vehicle. In 2021 to date, the Group has raised further €6.4 million from a private placement. Importantly, no warrants or other option-like instruments were attached to the shares issued in these financings. The continued support of investors willing to purchase shares in this manner is key for NOXXON to reduce reliance on instruments that have the potential to create divergent interests between various groups of investors. These financings were essential to allow NOXXON to complete the NOX-A12/Keytruda® trial in pancreatic and colorectal cancer patients, to progress the NOX-A12/radiotherapy combination trial in brain cancer patients and to initiate manufacturing of NOX-A12 and NOX-E36 for upcoming clinical trials. On December 31, 2019, a significant number of warrants linked to previous financings, that are subject to anti-dilution adjustments affecting exercise price and number of shares issued, were outstanding. During 2020, Yorkville exercised a large portion of its detachable warrants and Acuitas executed its right to cashless exercise for all of its warrants. As a result, the company's capital structure has become less complex.

Outlook 2021

The current budget projects a cash need of approximately €1.5 million per month in 2021, including all planned activities for the ongoing NOX-A12 brain cancer trial, drug production and trial initiation of the upcoming NOX-A12 pancreatic cancer study as well as the NOX-E36 trial. Current cash resources are projected to finance the company into November 2021 and with the resources of the ASO financing vehicle into May 2022. The company is pursuing various financing alternatives to secure future budget requirements, including outreach to well-known US healthcare investors, obtaining further funding from existing investors through additional funding rounds, seeking strategic partnering deals as well as merger or acquisition opportunities.

NOX-A12 + Immunotherapy + Chemotherapy in Second Line Pancreatic Cancer Patients
With encouraging data from a previous study and with guidance of the SAB, NOXXON is preparing to initiate a two-arm clinical trial in pancreatic cancer. On top of the combination therapy of NOX-A12 plus anti-PD-1, the study will test two different standard of care chemotherapy treatments

in second-line patients. The trial initiation is planned for H2 2021 and its completion is expected in 2023. This strategic approach will enable NOXXON to choose the optimal regimen to move forward into a randomized, controlled pivotal study targeting market authorization application in 2026 and approval in 2027.

NOX-A12 + Radiotherapy in First Line Brain Cancer Patients
It is NOXXON's key priority to ensure timely completion of the ongoing Phase 1/2 dose escalation trial and present top-line data in 2021. Aiming to obtain additional safety data prior to launching the pivotal trial, NOXXON is currently preparing to expand the number of patients at one of the tested dose levels. Anticipating that the ongoing Phase 1/2 trial data supports further development, NOXXON plans to initiate in 2022 a pivotal trial of NOX-A12 combined with radiotherapy in first line MGMT promoter-unmethylated glioblastoma patients vs. standard of care, with first market authorization application targeted for 2024 and approval for 2025.

Clinical plans for NOX-E36
With its improved finances, NOXXON plans to restart clinical trials with NOX-E36. Manufacturing of clinical supply has been contracted and the drug supply is projected to be available in H2 2021. Pre-clinical work comparing combination strategies for NOX-E36 in solid tumors to identify the most promising approaches are also advancing. The company plans to initiate the first clinical trial of NOX-E36 combinations testing safety in 2021.

The Annual Report 2020, as approved by the management and supervisory boards on April 28, 2021, is available on NOXXON's website (www.noxxon.com).

2020 Financial Results

NOXXON's Key Financial Figures for Fiscal Year 2020 Compared to the Same Period in 2019

[in € thousands]	**2020**	**2019**
Other operating income	**147**	**279**
Research and development expenses	(4,017)	(2,108)
General and administrative expenses	(1,881)	(2,115)
Foreign exchange losses	(18)	(4)
Loss from operations	**(5,769)**	**(3,948)**
Finance income	418	3,091
Finance cost	(5,055)	(3)
Loss before income tax	**(10,406)**	**(860)**
Income tax	(0)	(1)
Net loss – attributable to owners of the company	**(10,405)**	**(861)**
Net loss – attributable to non-controlling interest	**(1)**	**(0)**
Loss per share (in €, basic and diluted)	**(0.32)**	**(0.08)**

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About NOXXON

NOXXON's oncology-focused pipeline acts on the tumor microenvironment (TME) and the cancer immunity cycle by breaking the tumor protection barrier and blocking tumor repair. By neutralizing chemokines in the TME, NOXXON's approach works in combination with other forms of treatment to weaken tumor defenses against the immune system and enable greater therapeutic impact. NOXXON's lead program NOX-A12 has delivered final top-line data from a Keytruda® combination trial in metastatic colorectal and pancreatic cancer patients published at the ESMO conference in September 2020 and based on the trial results, including overall survival and safety profile, further studies are being planned in pancreatic cancer. NOXXON is also studying NOX-A12 in brain cancer in combination with radiotherapy which has been granted orphan drug status in the US and EU for the treatment of certain brain cancers. A trial of NOX-A12 in combination with radiotherapy in newly diagnosed brain cancer patients who will not benefit from standard chemotherapy has delivered preliminary data from the first cohort showing consistent tumor reductions. The company's second clinical-stage asset NOX-E36 is a Phase 2 TME asset targeting the innate immune system. NOXXON plans to test NOX-E36 in patients with solid tumors both as a monotherapy and in combination. Further information can be found at: www.noxxon.com

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