



Andreas Segerros
Chief Executive Officer

Dear Shareholder,

The Annual General Meeting of Shareholders is convened for June 1, 2023, the date of the first anniversary of my appointment as Chief Executive Officer of Nicox. This gives me an opportunity to share some personal thoughts, reflect on our achievements and provide some insights on how to build our future operations on our strong foundation.

In turbulent times for biotech companies, I am pleased to say that I find myself working in a dedicated, experienced and committed team of people at Nicox. Many of them have a very long history with the company, which speaks volumes to the culture of the organization. Together with those who have joined the company in recent times, we have achieved a significant amount in a period that has been charged with global challenges.

Attending industry events and ophthalmology conferences is an exciting way to interact with stakeholders. What I have seen – whether it be from partners, investors, banks, physicians – is a strong brand awareness for Nicox. And this extends also to the management team – wherever I have been, they are known and well respected.

My previous experience of ophthalmology comes from the launch of Xalatan®, generic name latanoprost, which was the first prostaglandin analog for the reduction of intraocular pressure. At that time, it was a new mechanism of action in this area. Fast forward to 2017, and despite significant launches of other products in the therapeutic area, the next new mechanism of action was nitric oxide, with the launch of VYZULTA® by our exclusive worldwide licensing partner, Bausch + Lomb. In October of last year, we successfully completed Mont Blanc, the first Phase 3 clinical trial intended to support registration of a product for the reduction of intraocular pressure in which the comparator was latanoprost instead of the lower bar of timolol. Our product candidate NCX 470 easily achieved non-inferiority to latanoprost, which is the key efficacy criteria for approval of the product through the FDA. Whilst we did not meet the superiority endpoint, NCX 470 was statistically superior to latanoprost in intraocular pressure reduction from baseline at 4 of the 6 timepoints, and numerically greater at all 6. These results set up our key areas of focus in the midterm, which are ensuring that Denali, the second Phase 3 clinical trial, remains on track, progressing our partnering activities for NCX 470 and ensuring that additional supporting studies to strengthen the therapeutic profile of NCX 470 are initiated as planned.

NCX 470 is also a key product for Ocumension Therapeutics, our exclusive licensing partner in the Chinese market. Following the re-opening of travel to China, I had the opportunity to spend time with the CEO of Ocumension at their offices in Shanghai, and could personally witness their

A word from our CEO

“I joined Nicox for the challenge of bringing a novel glaucoma therapy to the market”

commitment to NCX 470, for which they see a strong potential market. Ocumension is also our partner for ZERVIATE®. I met the team and visited the new state-of-the-art manufacturing site where preparations are being made for the planned launch of ZERVIATE in China, following the submission of the New Drug Application announced recently.

With regards to recurrent and future revenue, the foundations of this were laid long before I joined the company. Despite the challenging reimbursement environment in the United States, VYZULTA is showing consistent prescription growth, and revenue growth is now following, both in the United States and in the over 15 other territories where VYZULTA is commercialized. In addition to this, ZERVIATE in China will become an additional source of recurrent revenue for the company when it is launched in 2024. Ocumension is forecasting potential net sales of over \$100 million within 7 years. In the longer term, we expect significant additional revenue value through the launches of NCX 470, which we plan to partner in Japan and the United States, in addition to our existing partnership with Ocumension in China and Southeast Asia.

As I look to the future, we have a strong base of commercial and development programs and partnerships, and an ophthalmology-focused company ideally positioned for expansion and growth to nurture additional assets. We are therefore currently looking at opportunities to expand our pipeline with additional programs to which we believe our team could add value. Our cash position finances the current activities into Q2 2024 and additional investment would be required for external growth opportunities.

You will have received details of our upcoming Annual General Meeting on June 1, 2023. If you have any questions regarding the meeting, please contact us at ag2023nicox@nicox.com. Dialogue with our shareholders is important to me, and I take a personal interest in feedback received, so if you have any questions on the company or our programs, you can also reach us directly at communications@nicox.com.

I thank you for your continued support as shareholders and look forward to keeping you informed of our progress.

Yours sincerely,

Andreas Segerros

Chief Executive Officer

Recent Achieved and Upcoming Milestones



* MOA = mechanism of action

¹ The topline results date of 2025 for the Denali trial is based on projections of increased recruitment which take notably into account the lifting of COVID-19 restrictions in China

2022 Financial Highlights¹

Cash, Cash Equivalents	€27.7 million
2022 Net Revenue	€3.3 million (exclusively net royalties)
Long term debt ²	€24.7 million
Cash runway ³	Q2 2024
Outstanding Shares ⁴	50.1 million

1. Audit procedures carried-out, certification report not yet issued.

2. Includes Kreos Capital bond financing agreement (€18.7 million), a non-dilutive loan facility credit agreement (€1.8 million) guaranteed by the French state related to the COVID-19 pandemic and €4.2 million of present value attributed to the put option granted in the November 2022 equity financing. In the case of a merger by acquisition (fusion par absorption), merger (fusion par création d'une nouvelle société), division (scission), or a change of control within the meaning assigned in article L.233-3 I of the French commercial code (Code de commerce) where the consideration for such transaction is Nicox shares at a value of less than €1.70, the exercise price of the warrants, Amistice can request that Nicox purchases the warrants granted to Amistice at their Black Scholes value (using pre-defined terms).

3. Based exclusively on the development of NCX 470.

4. Existing outstanding shares as of March 20, 2023.

www.nicox.com
communications@nicox.com

