Press Release

Poxel Reports Financial Results and Corporate Update for the First Half of 2015

- Results in line with expectations
- Successful IPO and private placement with leading US and European healthcare investors

Lyon, France, August 31, 2015 – POXEL (Euronext - FR0012432516), a biopharmaceutical company developing innovative drugs to treat type 2 diabetes, today announced its results for the first half of 2015, as approved by the Company's Board of Directors on August 27, 2015.

"*The first half of 2015 was marked by Poxel's successful IPO on Euronext with a strong post-market performance and by significant progress in our pipeline programs", commented Thomas Kuhn, CEO of Poxel. "Most notably, analyses of both our large Phase 2b trial and an additional 18-week efficacy trial for our lead drug candidate Imeglimin have confirmed the successful topline data presented in late 2014, demonstrating a robust efficacy combined with an excellent safety profile, thanks to the double mechanistic approach of this novel oral antidiabetic agent. Development in Japan has also been successfully initiated. The funds raised through a post-closing private placement in July will allow us to strengthen our activities related to development of Imeglimin in the United States and Europe, as well as to accelerate the preparation of the Phase 2b/3 development in Asia and to fund a Phase 2 clinical trial for our second most advanced drug candidate, PXL770.*"

H1 2015 Highlights

Imeglimin

- Positive clinical data announced in June 2015:
  - Poxel's new oral antidiabetic Imeglimin met its primary and secondary endpoints, robust efficacy in glycemic control, in a Phase 2b clinical trial. The full data analysis confirmed the particularly competitive profile of this new first-in-class drug for the treatment of type 2 diabetes. The results were presented at the 75th Scientific Sessions of the American Diabetes Association (ADA) in Boston.
  - The unique characteristics of Imeglimin's beneficial effect on glycemic control have also been established in an additional 18-week Phase 2 trial. Imeglimin was shown to improve both fasting and postprandial glucose levels, by increasing glucose-dependent insulin secretion and improving insulin action. This trial confirmed results from the previous Phase 2b clinical trial on glycemic control, specifically A1C reduction.
  - A Phase 1 study showed that Imeglimin's pharmacokinetic profile is similar in Japanese subjects, as compared to Caucasians. Imeglimin's very good safety and tolerability were also confirmed in this study, allowing an acceleration of Imeglimin's development in Asia.

PXL770

- Phase 1 clinical trial of PXL770 in preparation, with the first patient expected to be dosed in late 2015.

Other H1 2015 Highlights

- Successful IPO on compartment C of Euronext Paris in February 2015, raising approximately € 27 million in cash.
- In addition and as expected, at the IPO Poxel restored positive shareholders' equity to € 25,875 thousand at the end of June 2015 (vs. € 2,547 thousand negative at the end of December 2014).
- Licensing agreement with ENYO Pharma SAS focused on the treatment of acute and chronic viral infections. ENYO will have access to Poxel's FXR (farnesoid X receptor) agonist compounds for infectious disease therapeutic indications (in particular hepatitis B), while Poxel retains rights in other indications including cardiovascular and metabolic diseases.
- Hiring of Mr. Noah D. Beerman as Executive Vice President, Business Development and President of US Operations. Noah Beerman brings to the Company over 25 years' experience in the biotechnology sector and has been instrumental to dozens of deals (M&A, in-/out-licensing, product deals) with major pharmaceutical companies.
- Hiring of Dr. Yohjiro Itoh to lead clinical and regulatory operations of Poxel in Asia. For his entire career, Yohjiro Itoh has worked in major international companies operating in Japan and has played a central role in the development and regulatory approval of several major products by the Japanese health authorities.
- Successful international private placement in July 2015, raising € 20 million, 91% of which was placed with leading healthcare investors in the United States and in Europe.
- Number of shares and voting rights at the end of July 2015:

Month	Date	Total number of shares outstanding	Total of theoretical number of voting rights (1)	Total of theoretical number of voting rights (2)
July	07/31/2015	19,390,728	19,390,728	19,379,063

(1) The total number of theoretical voting rights (or "gross" voting rights) is used as the basis for calculating the crossing of shareholding thresholds. In accordance with Article 223-11 of the AMF General Regulation, this number is calculated on the basis of all shares to which voting rights are attached, including shares whose voting rights have been suspended.

(2) The total number of exercisable voting rights (or "net" voting rights) is calculated without taking into account the shares with suspended voting rights, in this case, shares held by the Company in the context of a liquidity contract agreement with ODDO.

Next steps in 2H 2015

Imeglimin

- Discuss development plan with the Japanese health authorities (PMDA) to obtain approval on this program
- Continue development in Japan with the preparation of Phase 2b
- Prepare End of Phase 2b Meeting with the US and European health authorities (FDA and EMA) to present the full results of Phase 2 and obtain approval on Phase 3 plan
- Move forward additional clinical and non-clinical studies to generate data on the product's mechanism of action and its benefits on diabetes complications and disease progression
- Continue partnering discussions

PXL770

- Initiate Phase 1 clinical trial to evaluate safety and tolerability of the product and for first efficacy results
- Prepare Phase 2a trial for clinical proof of concept of this highly innovative product

Financial statements for 1H 2015 (IFRS standards)

Poxel devotes the bulk of its operating costs to research and development (R&D). The corresponding R&D costs presented below are net of the R&D Tax Credit (CIR) that represents a profit of € 947 thousand. They were stable compared to last year and in line with expectations.
The increase in overheads is directly related to the costs inherent in the IPO process for a net amount of € 852 thousand. The balance reflects the efforts of the Company to strengthen its structure following the IPO, and to pursue its development programs.

In thousand €	30 June 2015	30 June 2014
Turnover	**50**	**-**
Net research and development expenses	(2 410)	(2 466)
General and administrative expenses	(2 676)	(1 291)
Operating result	**(5 036)**	**(3 757)**
Financial charges	(391)	(7 061)
Financial products	196	21
Net result	**(5 231)**	**(10 797)**

Research & Development costs consist essentially of:

- Costs of subcontracting Imeglimin clinical trials execution and PXL770 preclinical studies; R&D team costs and
- Fees for intellectual property.

Of note, Poxel devotes a significant part of its resources to the protection of its intellectual property by filing patents and patent applications worldwide.

The financial result on June 30, 2015 mainly comprises interest on a venture loan signed late July 2014. Last year, the bulk of financial expenses corresponded mainly to the fair value impact of the Convertible Bonds and the Merck Serono debt. These adjustments have no longer any impact on the Company result as of 2015. Following the Company IPO in February 2015, both debts were converted and capitalized into Company equity, thanks to the issuance of new shares.

The net result for the financial period ending June 30, 2015 showed a loss of € 5,231 thousand, as expected. On June 30, 2015, the cash and cash equivalents amounted to € 29.5 million. This amount of cash does not include the R&D tax credit received early July and the proceeds of the recent private placement finalized end of July 2015.

Next financial press release: Third quarter 2015 results on October 22, 2015

About Poxel

Poxel uses its unique development expertise in metabolism to advance a pipeline of truly novel products currently focused on type 2 diabetes. Our first-in-class lead product, Imeglimin, targeting mitochondrial dysfunction, has successfully completed Phase 2 development in the US and EU and has entered clinical development in Japan. We are advancing our second program, PXL770, a direct AMPK activator, through clinical proof-of-concept. We will generate further growth through strategic partnerships and pipeline development.

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