



Letter to Shareholders

Lyon, March 25, 2026

Dear Shareholders,

Since our last letter dated January 8, 2026, THX Pharma has reached a major milestone that fundamentally transforms our industrial and financial trajectory: the signing, on February 10, 2026, of a strategic licensing agreement with Biocodex, an independent international pharmaceutical group with strong experience in rare diseases.

This agreement covers two of our drug candidates across three rare diseases. Biocodex has acquired from THX Pharma a worldwide exclusive license for the development and commercialization of Batten-1 in juvenile Batten disease (CLN3), as well as an exclusive license for TX01 in the United States and Canada for Gaucher disease and Niemann-Pick type C. For Batten-1, THX Pharma retains operational and clinical leadership of the program, with financial and scientific support from Biocodex, which will be responsible for compassionate use, market access, and commercialization activities in the covered territories.

From a financial perspective, this agreement represents a total potential value of up to €173 million, including an upfront payment of €12 million received in March 2026, milestone payments of up to €161 million, and double-digit royalties on Biocodex's net sales.

This agreement provides strong industrial and strategic validation of our portfolio. It clearly differentiates us from other companies in the sector by securing our programs without further diluting our shareholders. For Batten-1, we remain fully responsible for clinical and operational development, leveraging our expertise in Batten disease since 2019, without drawing on the Company's cash resources.

This agreement is fully aligned with the value trajectory we have previously communicated:

- For TX01, we maintain our target of €50 million in annual revenue by 2032.
- For Batten-1, the agreement with Biocodex significantly improves our business model: it replaces a costly and capital-intensive direct commercialization strategy with a model based on milestones and double-digit royalties on net sales, thereby structurally enhancing our profitability profile. Based on Batten-1 sales projections and the agreed royalty rate, we anticipate a level of annual profit exceeding what would have been achieved through direct commercialization, as previously communicated.

At the same time, our partnership with Exeltis continues to progress, in a geographically complementary approach to the Biocodex agreement. For TX01, regulatory and commercialization activities are handled by Biocodex in the United States and Canada, by Exeltis in Europe, the United Kingdom, Latin America, and certain Middle Eastern countries, and directly by THX Pharma in other key territories.



Following the achievement of the first major milestone in October 2025, regulatory submissions for Marketing Authorizations are underway, in line with the planned timeline, with commercialization expected as early as 2027.

The recent agreement, combined with the success of our capital increase at the end of 2025, brings our pro forma cash position as of December 31, 2025 to €22.7 million. With an annual cash burn of approximately €2.5 million, THX Pharma now benefits from secure financial visibility over several years, well beyond the 2028 horizon previously communicated.

This financial strength provides us with the means to fully execute the roadmap approved by our Board of Directors: advancing TX01 and Batten-1 through to commercialization, and building THX Pharma's future growth drivers beyond 2030 through internal R&D as well as targeted licensing and acquisition opportunities.

For 2026, our operational priorities are clear:

- Finalizing TX01 regulatory dossiers with Exeltis and Biocodex in preparation for commercialization as early as 2027,
- Initiating the Phase 3 trial of Batten-1 and its compassionate use program, funded by Biocodex and operationally led by THX Pharma,
- Strengthening our pipeline through the next stages of PickASO, our antisense oligonucleotide platform, as well as through the acquisition of new assets from industry players and academic laboratories.

We approach these milestones with strengthened resources, solid partners, and the conviction that 2026 will be the year in which our scientific achievements translate into real patient access to treatment.

Dear Shareholders, I would like to thank you for your continued trust and support. THX Pharma is entering a new phase—one in which science translates into medicines accessible to patients, and where the value we have built together begins to materialize concretely. We are only at the beginning.

Yours sincerely,

Mathieu Charvériat

Chief Executive Officer, THX Pharma