

**NOXXON ANNOUNCES LAUNCH OF CAPITAL INCREASE
RIGHT ISSUE FOR AN AMOUNT OF UP TO € 3.9 M**

Berlin, Germany, June 26, 2019, 8.00 a.m. CEST - NOXXON Pharma N.V. (Euronext Growth Paris: ALNOX, the “Company”), a biotechnology company focused on improving cancer treatments by targeting the tumor microenvironment (TME), hereby announces today the launch and terms of a share capital increase with shareholders’ preferential rights for an amount of up to € 3.9 million (issue premium included) (the “Rights Issue”).

Subscription ratio: 3 New Shares for 5 subscription rights presented

Subscription price: € 0.65 per share (15.7% discount on the closing price on the day before the decision of the Board of Directors on this transaction – June 24, 2019)

Each shareholder on June 28 at closing will receive 1 right per share held to subscribe in preference to the transaction

Rights trading period: from July 1 to 15, 2019 (inclusive)

Subscription period: from July 3 to 17, 2019 (inclusive)

Based on the additional funds provided by this right issue, the Company could finance its clinical pipeline independently for the next 12 months.

NOXXON has translated a validated RNA-based platform into two clinical-stage drug candidates addressing critical molecular pathways to treat solid tumors:

- **NOX-A12:** Targeting the adaptive immune system through the chemokine CXCL12, key player in the tumor microenvironment
 - o Compelling activity and safety data from the Phase 1/2 anti-PD-1 (pembrolizumab) combo trial in metastatic, microsatellite-stable colorectal and pancreatic cancer, collaboration with Merck & Co./MSD
 - o Company primed to start 1st line treatment in brain cancer trial combining NOX-A12 and radiotherapy in Q3 2019

The NOX-A12 and NOX-E36 are also currently the subject of 15 ongoing academic collaborations. In addition, as disclosed on Monday June 24, 2019, a leading international pharmaceutical company amongst the top-10 pharmaceutical companies by worldwide revenue is testing NOX-A12 in a new indication, which will remain undisclosed for competitive reasons. The market for this new indication has been valued at more than a billion Euros.

- **NOX-E36:** Complementary mechanism of action targeting the innate immune system through the chemokine CCL2 involved in the recruitment of immuno-suppressive tumor associated macrophages
 - o Established safety and on-target activity in multiple non-oncology clinical trials
 - o Preclinical data showing monotherapy activity in solid tumors

NOXXON's pipeline

NOX-A12

	Indication	Combination	Preclinical	Phase 1	Phase 2	Phase 3
	Solid tumors Pancreatic / Colorectal	Immunotherapy				Phase 1/2 trial completed Top-line data announced Dec. 2018
	Solid tumors Brain cancer / Glioblastoma	Ablation / radiation			Phase 1/2 trial initiation Targeted for Q3 2019*	
	Undisclosed Market >€1b				Evaluation complete Q2 2020	

* Timeline subject to regulatory approvals and financing

NOX-E36

	Indication	Combination	Preclinical	Phase 1	Phase 2	Phase 3
	Solid tumors Pancreatic	Immunotherapy & chemotherapy				Phase 1/2a trials completed in non-oncology indications

 Trial to be completed by NOXXON
  Trial to be completed with partner

The pipeline addresses solid tumors with significant unmet medical needs despite the advances of immune-oncology and targeted therapies using a unique tumor microenvironment approach.

NOX-A12 consistently triggered an immune response in tumor tissue above a certain threshold of target neutralization in both pancreatic and colorectal cancer tissue. In heavily pretreated patients the combination of NOX-A12 + Keytruda® yielded 25% stable disease and 35% with longer time on treatment than prior therapy. Overall survival for these patients compared favorably with that of approved drugs with 48% at 6 months and 33% at 12 months. NOXXON has designed subsequent trials that could lead to approval and would initiate such studies with the support of a pharma partner. The combination of NOX-A12 with radiotherapy in a relevant brain cancer preclinical model showed 100% complete responses of which 66% were durable. The upcoming clinical study would assess the safety and efficacy of multiple doses of NOX-A12 combined with radiotherapy in first line brain cancer patients. Subsequent studies may target other brain cancer populations including rare pediatric indications where there is potential both for breakthrough status and other regulatory advantages.

The proceeds of the capital increase would be allocated 60% to advancing the Company's pipeline, including initiation of the NOX-A12 and radiotherapy trial in brain cancer and completion of patient follow-up from the pancreatic and colorectal cancer trial, as well as for further preclinical work on the NOX-E36 molecule. The remaining funds would be dedicated to finance the Company's other operating expenses including general and administrative costs.

In case the transaction is not fully subscribed, it should be noted that NOXXON:

- has issued warrants to Acuitas, Yorkville and Kreos, that could bring complementary cash to the Company in case they would be exercised by their owners.
- expects to be able to sign out-licensing or co-development partnerships with top pharma groups, obtaining upfronts or milestones payments by licensing its proprietary molecules NOX-A12 and NOX-E36.

As at the date of publication of the current press release, the Company anticipates its cash needs for the next 12 months to be covered based on the present capital increase, under the conditions and the limits stated above.

"We are encouraged by the recent demonstrated interest in NOXXON's compounds from pharma companies and are confident that we will be able to secure additional partnerships. Securing these funds will provide the company with additional leverage in these negotiations," **said Aram Mangasarian, CEO of NOXXON.**

For more detailed information please see the annex of this press release.

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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 tumor microenvironment, NOXXON's approach works in combination with other forms of treatment to weaken tumor defenses against the immune system and enable greater therapeutic impact. Building on extensive clinical experience and safety data, the lead program NOX-A12 has delivered top-line data from a Keytruda® combination trial in metastatic colorectal and pancreatic cancer patients in December 2018 and further studies are being planned in these indications. The company initiated preparations for an additional trial with NOX-A12 in brain cancer in combination with radiotherapy. The combination of NOX-A12 and radiotherapy has been granted orphan drug status in the US and EU for the treatment of certain brain cancers. 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

Keytruda® is a registered trademark of Merck Sharp & Dohme Corp



<https://www.linkedin.com/company/noxxon-pharma-ag>



https://twitter.com/noxxon_pharma

ANNEX

Capital increase - Right issue up to the amount of € 3,947,892

Summary of the terms of the capital increase

Gross amount of the capital increase: € 3,947,892.

Number of new shares to be issued: 6,073,680 shares, i.e. 60% of the number of shares currently outstanding (10,122,804) (hereinafter the "New Shares").

Subscription price of the new shares: € 0.65. This subscription price represents a discount of 15.7% compared to the closing price of the share on the day before the decision of the Board of Directors on the transaction (€ 0.771 per share on Euronext Growth market in Paris on June 24, 2019).

Subscription right exercise parity: 3 new shares for 5 subscription rights presented, one subscription right being detached from each existing NOXXON share. The subscription rights are allocated to the shareholders of the Company who also have the option of selling them on the market between July 1 to 15, 2019.

On the basis of the closing price of the NOXXON share on June 24, 2019, and the terms and conditions of the transaction, the theoretical value of a subscription right is € 0.045.

Investors are invited to take into consideration the risk factors described in the prospectus dated July 10, 2017, (section 1) relating to the transfer of NOXXON shares to the "Public Offer" sub-segment of the Euronext Growth market, regularly updated on the initiative of the Company, in particular in its 2018 annual report, information available on the Company's website, in the Investors section: www.noxxon.com).

Detailed information on the transaction

How to subscribe?

You are a shareholder of the Company:

You will be given subscription rights attached to your NOXXON shares that allow you to subscribe in preference to the New Shares by applying the ratio of 3 New Shares for 5 subscription rights (1 existing share giving right to 1 subscription right):

- You either have an exact and sufficient number of existing shares to be able to subscribe via your subscription rights to a whole number of New Shares (for example, if you have 500 NOXXON shares, you can subscribe by priority 300 New Shares)
- You either do not have a sufficient number of existing shares to obtain a whole number of New Shares, you can then buy or sell the number of subscription rights to reach the ratio leading to a whole number of Shares News (3 News Shares for 5 subscription rights).

In addition to the subscription made by means of the subscription rights you receive, you can also request to subscribe for additional New Shares until July 17, 2019, by sending your request to BNP Paribas Securities Services, securities and financial services, Les Grands Moulins de Paris, 9 rue du Débarcadère, 93500 Pantin, or through your authorized financial intermediary (such subscription requests which do not rely on subscription rights will only be taken into account if the transaction is not already fully subscribed by the holders of subscription rights).

You are not a shareholder of the Company:

You can subscribe in two ways:

- By the acquisition on the stock market of subscription rights from July 1 to 15, 2019, through the financial institution in charge of your account and by exercising, no later than July 17, 2019, your subscription rights with the latter. The ISIN code of the subscription rights is FR0013430519,

- By submitting an open subscription order before July 17, 2019. Persons wishing to subscribe will have to send their application directly to the Company, by sending their subscription order to the management of NOXXON (head office: NOXXON Pharma, Max-Dohrn-Strasse 8–10, 10589 Berlin, Germany, for the attention of Mr Aram MANGASARIAN). Open subscriptions will only be taken into account if not all subscriptions rights will have been exercised until July 17, 2019. It is specified that the Board of Directors will have the faculty of freely distributing the unsubscribed shares, in whole or in part, between the persons (shareholders or third parties) of its choice having made requests for open subscriptions.

Schedule of the transaction

Extraordinary General Meeting of the shareholders (EGM) delegating authorizations to the Supervisory Board	January 2, 2019
Decision Supervisory Board to render prior approval to the principle of the capital increase	June 25, 2019
Board of Directors meeting deciding the principle of the capital increase	June 25, 2019
Publication of a press release regarding the launch of the transaction	June 26, 2019
Opening of the trading period for the subscription rights	July 1, 2019
Opening of the subscription period	July 3, 2019
Closing of the trading period for the subscription rights	July 15, 2019
Closing of the subscription period	July 17, 2019
Publication of the press release relating to the results of the transaction	July 19, 2019
Settlement of the transaction – Decision of Board of Directors that New shares are issued	July 23, 2019
Decision of the Board of Directors declaring the completion of the transaction	July 23, 2019
Start of trading of the New Shares on Euronext Growth	July 23, 2019

Legal / corporate authorization for the transaction

The capital increase that is the subject of this press release was decided by the Board of Directors on June 25, 2019 after having received prior approval from the Supervisory Board on June 25, 2019, pursuant to a delegation of authority granted by the EGM of January 2, 2019, in its 6th resolution. The Board of Directors has decided, with the prior approval of the Supervisory Board, to exclude any and all pre-emptive rights in connection with this capital increase.

As a reminder, the EGM of January 2, 2019, delegated its authority to the Board of Directors, for a period of 5 years from the meeting, to increase the capital by issuing new shares and rights to subscribe for shares with the authority to also exclude any and all pre-emptive rights, for the maximum nominal amount available for issuance under the Company's authorized share capital at any time during those 5 years, on one or more occasions.

Terms of the transaction

Amount of the issue and number of shares to be issued

The total amount of the issue of the New Shares, including issue premium, amounts to € 3,947,892 (of which € 60,736.80 representing the par value of the New Shares and € 3,887,155.20 representing the issue premium of the New Shares), corresponding to the product of the number of New Shares to be issued by the subscription price of a New Share, i.e. € 0.65.

The total number of New Shares to be issued is 6,073,680 which is 60% of the number of shares currently outstanding (10,122,804).

There is no extension clause applicable to this transaction.

The amount of the expenses related to the operation is estimated at approximately € 250 K.

Subscription price

The subscription amount of a New Share is € 0.65, i.e. € 0.01 par value per New Share and € 0.64 premium per New Share.

When subscribing, the price of € 0.65 per New Share subscribed will have to be fully paid up by cash payment in EUR.

Opening and closing dates of the subscription

From July 3 to 17, 2019.

Preferential subscription right on an irreducible basis

Existing shareholders will be given a preferential right to subscribe to the New Shares. Assignees of their subscription rights have the same preferential right. Such holders may subscribe on an irreducible basis, on the basis of three (3) New Shares for five (5) preferential subscription rights. Fractions will not be issued. Five (5) existing shares will be entitled to subscribe for three (3) New Shares.

Shareholders or assignees of their preferential subscription rights who do not have, in respect of the irrevocable subscription, a sufficient number of existing shares or preferential subscription rights to obtain a whole number of New Shares will be able to buy or sell the number of preferential subscription rights allowing to reach the multiple leading to a whole number of New Shares.

Preferential subscription right on a reducible basis

For the benefit of the shareholders, a reducible subscription right is granted to the shares, which will be exercised in proportion to their rights and within the limits of their demands.

At the same time that they will deposit their subscriptions for irreducible purposes, the shareholders or assignees of their rights may subscribe in a reducible capacity the number of New Shares they wish, in addition to the number of New Shares resulting from the exercise of their rights irreducibly.

Contractually under Dutch law, the Board decided that New Shares which may not be absorbed by the subscriptions on an irreducible basis, will be allocated to the subscribers on a reducible basis. Reducible subscription orders are served up to the limit of their request and in proportion to the number of existing shares whose rights have been used to support their subscription on an irrevocable basis, without any resulting attribution being possible fraction of New Shares.

In the event that the same subscriber submits several separate subscriptions, the number of shares reducible to him will be calculated on all of his subscription rights only if he expressly makes the special request in writing, at the latest on the closing date of the subscription. This special request must be attached to one of the subscriptions and provide all the information needed to consolidate the rights, specifying the number of subscriptions established as well as the institution or intermediary from which these subscriptions will have been deposited. Subscriptions on behalf of different subscribers cannot be combined to obtain shares on a reducible basis.

A notice published by Euronext Paris will, if applicable, disclose the distribution scale for reducible subscriptions.

Exercise of preferential subscription rights

To exercise their preferential subscription rights, the holders must make a request to their authorized financial intermediary at any time between July 3 and 17, 2019, inclusive and pay the corresponding subscription price. Each subscription must be accompanied by the payment of the subscription price by cash payment in EUR. Subscriptions that have not been fully paid up will be automatically canceled, without the need for a formal notice. The preferential subscription right must be exercised by its beneficiaries, under pain of forfeiture, before the expiry of the subscription period.

The preferential subscription rights will be tradeable on Euronext Growth during the period mentioned below and under the same terms as the ordinary shares of the Company.

The assignor of the preferential subscription right will be withdrawn for the benefit of the assignee who, for the exercise of the subscription right thus acquired, will be purely and simply substituted in all the rights and obligations of the owner of the existing share.

The preferential subscription rights not exercised at the end of the subscription period will automatically lapse.

The funds paid in support of the subscriptions will be centralized by BNP Paribas Securities Services, securities and financial services, Grands Moulins de Paris, 9 rue du Debarcadère, 93500 Pantin, which will be responsible for drawing up the certificate of deposit of the funds recording the completion of the capital increase and the issue of New Shares.

Contractually under Dutch law, the Board of Directors decided that New Shares which may not be absorbed by the subscriptions on an irreducible basis, will be allocated to the subscribers on a reducible basis. Reduced subscription orders will be served up to the limit of their requests and in proportion to the number of existing shares whose rights have been used to support their subscription on an irreducible basis, without the possibility of an attribution of new share fraction.

In the event that the same subscriber submits several separate subscriptions, the number of reducible shares will be calculated on all of his preferential subscription rights only if he expressly makes the special request in writing, at the latest the day of the closing of the subscription. This application must be attached to one of the subscriptions and give all the information needed to consolidate the rights, specifying the number of subscriptions established and the authorized intermediary(s) from whom these subscriptions will have been deposited.

Listing of preferential subscription rights

The preferential subscription rights will be detached on July 1, 2019. They will be listed and traded on Euronext Growth in Paris under the ISIN code FR0013430519 from July 1 to 15, 2019, inclusive.

Limitation of the capital increase

The Board of Directors may limit the capital increase to the amount of the subscriptions collected, without any limit.

Domiciliary Institutions - Subscription Payments

Subscriptions for the New Shares and the payment of the funds by the subscribers, whose securities are held bearer or administered registered shares (i.e. for shareholders whose financial institution is not BNP Paribas), or their authorized provider acting on their behalf and for their account will be received until July 17, 2019, included by the intermediaries authorized financial institutions.

Subscriptions and payments of subscribers whose shares are registered in pure registered form will be received without charge until July 17, 2019, inclusive, from BNP Paribas Securities Services, securities and financial services, Grands Moulins de Paris, 9 rue du Débarcadère, 93500 Pantin. Each subscription must be accompanied by payment of the subscription price.

Funds in support of subscriptions will be centralized by BNP Paribas Securities Services, securities and financial services, Grands Moulins de Paris, 9 rue du Debarcadère, 93500 Pantin, which will be responsible for drawing up the certificate of deposit of the funds evidencing the completion of the capital increase and the issue of the New Shares.

Subscriptions for which payments have not been made will be automatically canceled without the need for a formal notice.

The expected date of delivery of the New Shares is July 23, 2019.

Guarantee

The offer will not be subject to a performance guarantee.

Rights attached to the New Shares

The New Shares, which will be subject to all the statutory provisions, will be assimilated as soon as they are issued to the existing shares.

Currency of the issue of the New Shares

The issue of the New Shares is made in Euro.

Expected Date of Issue of the New Shares

According to the indicative timetable of the capital increase, it is expected that the New Shares will be registered in the securities account on July 23, 2019.

Nature, category and enjoyment of the New Shares

The New Shares to be issued are ordinary shares of the same class as the existing shares of the Company.

Rights attached to the New Shares

New Shares will, from the moment of their issue, be subject to all the stipulations of the articles of association of the Company.

Listing of the New Shares

The New Shares arising from the capital increase will be the subject of an application for admission to trading on Euronext Growth in Paris. They will be admitted on the same quotation line as the existing shares and will be fully assimilated to them as soon as they are admitted to trading. The beginning of trading of the New Shares on Euronext Growth in Paris is scheduled for July 23, 2019.

Impact on the shareholding in a shareholder's capital

A shareholder who holds 1% of the Company's share capital prior to the issue and who decides not to subscribe to the issue of the new shares would see his participation in the Company's share capital evolve as follows:

	Number of Shares	Dilution %	Equity amount per Share *
Before transaction	10,122,804	1.000 %	(€ 0.258)
Shares to be issued based on the capital increase (100%)	6,073,680		
After transaction (100%)	16,196,484	0.625 %	€ 0.083

* based on the consolidated accounting information as of December 31, 2018

It is noted that there are currently some securities likely to give access to the capital of NOXXON: these securities are would currently result in the issue of 6,580,900 new shares in return for a subscription of the order of € 9,617 K (assuming a subscription fully in cash - see in particular the information available on the Company's website). The exercise conditions of these dilutive instruments will be adjusted after the rights issue is completed in accordance with the conditions of the respective warrants, which may be found on the company's website.

Specific risk factors to the capital increase transaction

No assurance can be given that a subscription rights market will develop; subscription rights may be subject to greater volatility than existing shares of the Company; holders of subscription rights who do not wish to exercise them may not be able to sell them on the market or sell them on unsatisfactory terms.

If a shareholder does not subscribe to this issue their equity and voting interests will be diluted; if an investor chooses to sell granted subscription rights, the proceeds of this sale may be insufficient to offset this dilution.

The market price of the Company's shares may fluctuate significantly, as does its volatility and liquidity, notably as a result of market fluctuations or in response to various factors, among which the risk factors contained in the management report relating to the Company fiscal year 2018; sales of the Company's shares could occur on the market during or after the subscription period, as well as sales of subscription rights during the subscription period, which would have an adverse impact on the market price of the share or the subscription rights; no assurance can be given that the price of the Company's shares will not fall below the subscription price of the shares issued upon the exercise of the subscription rights; if this decrease were to occur after the exercise of the subscription rights by their holders, they would suffer a loss in case of immediate sale of said shares.

In addition, the Company has carried out a specific review of its liquidity risk and considers, as at the date of publication of the current press release, its cash needs for the next 12 months being covered based on the present capital increase.

In case the transaction is not fully subscribed, it should be noted that NOXXON:

- has issued warrants to Acuitas, Yorkville and also Kreos, that could bring complementary cash to the Company in case they would be exercised by their owners.
- expects to be able to sign out-licensing or co-development partnerships with top pharma groups, obtaining upfronts or milestones payments by licensing its proprietary molecules NOX-A12 and NOX-E36.

The Company's shares and the subscription rights are not intended to be listed on a regulated market and investors will not benefit from guarantees associated with regulated markets. The issue is not subject to a performance guarantee.

In the event of insufficient demand, the proposed capital increase may be limited to the subscriptions received.

Disclaimer

Certain statements in this communication contain formulations or terms referring to the future or future developments, as well as negations of such formulations or terms, or similar terminology. These are described as forward-looking statements. In addition, all information in this communication regarding planned or future results of business segments, financial indicators, developments of the financial situation or other financial or statistical data contains such forward-looking statements. The Company cautions prospective investors not to rely on such forward-looking statements as certain prognoses of actual future events and developments. The Company is neither responsible nor liable for updating such information, which only represents the state of affairs on the day of publication.

This press release, and the information it contains, does not constitute an offer to sell or subscribe, or the solicitation of an order to buy or subscribe for NOXXON shares in any country.

In France, pursuant to the provisions of Article L.411-2 of the French Monetary and Financial Code and Article 211-2 of the AMF General Regulation, the present issue will not give rise to preparation of a Prospectus in the meaning of the Prospectus Directive (as defined below), because the total amount of the offer is less than € 8,000,000.

The distribution of this press release in certain countries may constitute a violation of the legal provisions in force. Persons physically present in these countries and for whom this press release is being issued must inform themselves of such restrictions and comply with them.

This press release does not constitute a prospectus within the meaning of Directive 2003/71 / EC of the European Parliament and of the Council of November 4, 2003 as amended, in particular by Directive 2010/73 / EU of the European Parliament and of the Council of November 24, 2010, as amended and as transposed in each of the member states of the European Economic Area (the "**Prospectus Directive**").

With regard to the member states of the European Economic Area (the "**Member States**"), other than France, having transposed the Prospectus Directive, no action has been taken and will be undertaken to allow an offer to be made to the public of the actions covered by this press release making it necessary to publish a prospectus in one or other of the Member States. As a result, the shares may only be offered and will be offered in Member States only by virtue of an exemption under the Prospectus Directive.

The shares that would be issued in connection with this capital increase have not been and will not be registered under the US Securities Act of 1933, as amended (the "**US Securities Act**") and may not be offered or assigned to any United States of America without registration or exemption from registration under the US Securities Act. NOXXON does not intend to register the offer, in whole or in part, in the United States of America, nor to make an offer to the public in the United States of America.

This announcement does not constitute an offer to the public of securities in the United Kingdom. It is intended only for those who are considered as (i) investment professionals (persons with professional investment experience) within the meaning of Article 19 (5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "**Ordinance**"), (ii) being persons falling within the scope of section 49 (2) (a) to (d) ("high net corporations, unincorporated associations, etc. ") of the Ordinance, or (iii) persons to whom an invitation or an incentive to participate in an investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in the context of the issue or sale of financial securities could be lawfully addressed (all these persons being referred to together as the "**Authorized Persons**"). Anyone other than an Authorized Person must refrain from using or hitting on this release in the UK. Any investment or investment activity related to this press release may only be carried out by Authorized Persons.

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