Praxis Precision Medicines Announces Closing of Financing and Reiterates Corporate Priorities

June 22, 2023

Strong demand for financing including full exercise of overallotment option with net proceeds of $63.3 million

Cash runway extended into Q1 2025

Phase 2 Photoparoxsymal Response (PPR) study to evaluate PRAX-628 expected to read-out by YE 2023

Plan to begin ulixacaltamide Phase 3 enrollment in Q4 2023 to support a 2025 NDA filing

BOSTON, June 22, 2023 (GLOBE NEWSWIRE) -- Praxis Precision Medicines, Inc. (NASDAQ: PRAX), a clinical-stage biopharmaceutical company translating genetic insights into the development of therapies for central nervous system (CNS) disorders characterized by neuronal excitation-inhibition imbalance, today announced the closing of the underwritten public offering of shares of common stock and pre-funded warrants, including the full exercise of the underwriters' overallotment option. The net proceeds from the offering are $63.3 million, after deducting underwriting discounts and commissions and estimated offering expenses. Together with the Company's existing cash, cash equivalents and marketable securities, this extends the cash runway into the first quarter of 2025. The proceeds will be used to advance the development of ulixacaltamide into two Phase 3 studies for essential tremor, to continue clinical development of PRAX-562, PRAX-222 and PRAX-628 for various epilepsies, and for working capital and other general corporate purposes.

The Company has initiated a study evaluating PRAX-628 in photo-sensitive epilepsy patients, also known as a PPR study, with expected readout by year end. Similar studies have shown a positive correlation to anti-seizure medicines (ASMs) used to treat focal epilepsy. With this study, Praxis plans to validate the mechanism of action of PRAX-628 and inform the study design for its Phase 2b program.

Praxis remains on-track for reading out the Phase 2 Study for PRAX-562 and the first cohort for PRAX-222 in DEEs by year end.

"This financing provides the means to continue advancing our portfolio in movement disorders and in epilepsy closer to patients, with a number of catalysts this year," said Marcio Souza, president and chief executive officer of Praxis. "We are excited to advance our Phase 3 program in essential tremor, while also initiating the PPR study to inform and de-risk our program in focal epilepsy. Additionally, we are pleased to have received support from both existing and new investors."

About Praxis
Praxis Precision Medicines is a clinical-stage biopharmaceutical company translating insights from genetic epilepsies into the development of therapies for CNS disorders characterized by neuronal excitation-inhibition imbalance. Praxis is applying genetic insights to the discovery and development of therapies for rare and more prevalent neurological disorders through our proprietary small molecule platform, Cerebrum™, and antisense oligonucleotide (ASO) platform, Solidus™, using our understanding of shared biological targets and circuits in the brain. Praxis has established a diversified, multimodal CNS portfolio including multiple programs across movement disorders and epilepsy, with four clinical-stage product candidates. For more information, please visit www.praxismedicines.com and follow us on Facebook, LinkedIn and Twitter.

Forward-Looking Statements
This press release contains forward-looking statements within the meaning of The Private Securities Litigation Reform Act of 1995 and other federal securities laws, including express or implied statements regarding Praxis' future expectations, plans and prospects, including, without limitation, statements regarding Praxis' intended use of the net proceeds from its public offering, the sufficiency of its cash runway, and the clinical development of ulixacaltamide, PRAX-562, PRAX-222 and PRAX-628, as well as other statements containing the words "anticipate," "believe," "continue," "could," "endeavor," "estimate," "expect," "anticipate," "intend," "may," "might," "plan," "potential," "predict," "project," "seek," "should," "target," "will" or "would" and similar expressions that constitute forward-looking statements under the Private Securities Litigation Reform Act of 1995.

The express or implied forward-looking statements included in this press release are only predictions and are subject to a number of risks, uncertainties and assumptions, including, without limitation: uncertainties inherent in clinical trials; the expected timing of submissions for regulatory approval or review by governmental authorities; regulatory approvals to conduct trials; and other risks concerning Praxis' programs and operations as described in its Annual Report on Form 10-K for the year ended December 31, 2022, its Quarterly Reports on Form 10-Q and other filings made with the Securities and Exchange Commission. Although Praxis' forward-looking statements reflect the good faith judgment of its management, these statements are based only on information and factors currently known by Praxis. As a result, you are cautioned not to rely on these forward-looking statements. Any forward-looking statement made in this press release speaks only as of the date on which it is made. Praxis undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise.

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