Xenon Reports Q2 2026 Financial Results and Provides Business Update

August 6, 2026

- *NDA submission for azetukalner on track for Q3 2026 following pre-NDA meeting with FDA*
- *Phase 3 X-TOLE3 study in FOS and X-ACKT study in PGTCS continue to enroll*
- *Three Phase 3 studies of azetukalner in neuropsychiatry continue to advance, with topline data from X-NOVA2 study in MDD expected H1 2027*
- *Phase 1 studies of novel $Na_V1.7$ (XEN1701) and K_V7 (XEN1120) candidates expected to complete H2 2026; Phase 1 study underway for second $Na_V1.7$ (XEN1720) candidate for pain*
- *Cash, cash equivalents and marketable securities of $1.2 billion with cash runway into 2029*
- *Conference call at 4:30 pm ET today*

VANCOUVER, BC and BOSTON, MA, Aug. 06, 2026 (GLOBE NEWSWIRE) -- Xenon Pharmaceuticals Inc. (Nasdaq: XENE), a neuroscience-focused biopharmaceutical company dedicated to drug discovery, clinical development, and commercialization of life-changing therapeutics for patients in need, today reported financial results for the second quarter ended June 30, 2026 and provided a business update.

“The second quarter of 2026 was marked by strong execution, including a successful pre-NDA meeting, and the NDA submission for azetukalner remains on track for the third quarter of 2026. Our X-TOLE2 data continue to be well-received by healthcare providers, specifically regarding azetukalner’s differentiated clinical profile and its potential to address significant unmet needs in epilepsy,” said Ian Mortimer, President and Chief Executive Officer of Xenon. “We also remain focused on broadening azetukalner’s opportunity to neuropsychiatry and expect topline Phase 3 X-NOVA2 data in the first half of 2027. Our clinical-stage pain pipeline also continues to grow with the recent Phase 1 study initiation for XEN1720, our second $Na_V1.7$ clinical candidate.”

Business Highlights and Anticipated Milestones

Azetukalner Clinical Development

Azetukalner is a novel, potent K_V7 potassium channel opener in late-stage development for multiple potential indications, including two in epilepsy – focal onset seizures (FOS) and primary generalized tonic-clonic seizures (PGTCS) – as well as neuropsychiatric disorders, including major depressive disorder (MDD) and bipolar depression (BPD).

Epilepsy Programs

- Xenon remains on track to submit its New Drug Application (NDA) for azetukalner in FOS in the third quarter of 2026, having completed a pre-NDA meeting with the U.S. Food and Drug Administration (FDA).
- The Company presented topline efficacy and safety results from the Phase 3 X-TOLE2 study of azetukalner in FOS at two important epilepsy congresses in the second quarter of 2026: the American Academy of Neurology (AAN) Annual Meeting in Chicago, Illinois from April 18-22, and the Epilepsy Foundation Pipeline Conference in Leesburg, Virginia from June 18-19.
- The Company submitted six abstracts for presentation at the upcoming 16th European Epilepsy Congress (EEC), taking place September 5-9, 2026 in Athens, Greece.
- The Phase 3 X-TOLE3 study of azetukalner in FOS continues to enroll and is intended to support regulatory submissions outside of the United States. X-TOLE3 enrollment outside of Japan is expected to complete in 2026.
- The Phase 3 X-ACKT study of azetukalner in PGTCS continues to enroll and is intended to support regulatory submissions for an additional epilepsy indication.

Neuropsychiatry Programs

- Enrollment is ongoing in the Phase 3 X-NOVA2 and X-NOVA3 studies evaluating azetukalner in patients with MDD, with topline data from X-NOVA2 expected in H1 2027.
- Enrollment is ongoing in the Phase 3 X-CEED study evaluating azetukalner in patients with BPD I or II.

Clinical Programs for Pain

Xenon continues to expand its portfolio of potent, selective ion channel modulators using the Company’s strong heritage in human genetics, deep understanding of ion channel biology, and expertise in novel chemistries. This includes clinical-stage candidates targeting $Na_V1.7$ and K_V7, which are important novel targets for pain.

$Na_V1.7$ Programs

- The Phase 1 Single Ascending Dose (SAD)/Multiple Ascending Dose (MAD) study in healthy adult participants is ongoing for XEN1701 targeting $Na_V1.7$. Study completion is expected in H2 2026 to support initiating a Phase 2 proof-of-concept study in acute pain.
- Xenon recently received approval of its Clinical Trial Application (CTA) to initiate a Phase 1 study of XEN1720 targeting $Na_V1.7$. The Phase 1 SAD/MAD study in healthy adult participants is now underway.

K_V7 Program

- The Phase 1 SAD/MAD study in healthy adult participants is ongoing for XEN1120 targeting K_V7. Study completion is expected in H2 2026 to support initiating a Phase 2 proof-of-concept study in acute pain.

Early-Stage R&D and Partnered Programs for Epilepsy

Beyond azetukalner, Xenon is committed to advancing additional novel treatment approaches to address significant unmet needs in epilepsy.

- IND-enabling studies are ongoing for the Company's oral small molecule $Na_V1.1$ program. Pre-clinical data suggest that targeting $Na_V1.1$ could potentially address the underlying cause and symptoms of Dravet syndrome.
- In collaboration with Neurocrine Biosciences, a Phase 1b study is ongoing for NBI-921355, an investigational, selective inhibitor of voltage-gated sodium channels $Na_V1.2$ and $Na_V1.6$ in development for the potential treatment of certain types of epilepsy. Data from the Phase 1b study are expected in 2027.

Upcoming Investor Conferences

- Xenon will attend three upcoming investor conferences in the third quarter of 2026, including the Stifel Biotech Summer Summit on August 10, the Wells Fargo Healthcare Conference on September 9, and the TD Cowen Novel Mechanisms in Neuropsychiatry & Epilepsy Summit on September 23.

Q2 2026 Financial Results

- Cash, cash equivalents and marketable securities were $1,245.1 million as of June 30, 2026, compared to $586.0 million as of December 31, 2025. Based on current operating plans, Xenon anticipates having sufficient cash to fund operations into 2029. As of June 30, 2026, there were 96,752,884 common shares and 2,931,293 pre-funded warrants outstanding.
- Research and development expenses were $99.2 million for the quarter ended June 30, 2026, compared to $75.0 million for the same period in 2025. The increase in research and development expenses for the period was primarily attributable to the ongoing azetukalner Phase 3 clinical studies in the MDD and BPD programs and manufacturing activities to support our planned NDA submission, ongoing Phase 1 clinical studies of XEN1701 and XEN1120, as well as increased personnel-related costs due to an increase in employee headcount and stock-based compensation expense.
- General and administrative expenses were $23.9 million for the quarter ended June 30, 2026, compared to $19.2 million for the same period in 2025. The increase in general and administrative expenses for the period was primarily attributable to personnel-related costs due to an increase in employee headcount and an increase in professional and consulting fees.
- Other income was $11.8 million for the quarter ended June 30, 2026, compared to $8.9 million for the same period in 2025. The increase in other income for the period was primarily attributable to higher interest income.
- Net loss was $110.7 million for the quarter ended June 30, 2026, compared to $84.7 million for the same period in 2025. The increase in net loss for the period was primarily attributable to lower revenue from the collaboration with Neurocrine Biosciences, higher research and development expenses driven by the azetukalner and pain programs and higher personnel-related costs, higher general and administrative expenses driven by higher personnel-related costs and professional and consulting fees, partially offset by higher interest income.

Conference Call Information

Xenon will host a conference call and webcast today at 4:30 pm Eastern Time (1:30 pm Pacific Time) to discuss its second quarter 2026 results. A listen-only webcast can be accessed on the Investors section of the Xenon website, with a replay available following the event. Participants can access the conference call by dialing (800) 715-9871 or (646) 307-1963 for international callers and referencing conference ID 5286122.

About Azetukalner

Azetukalner is a novel, potent K_V7 potassium channel opener currently in development for the treatment of epilepsy, major depressive disorder (MDD) and bipolar depression (BPD). It represents the most advanced, clinically validated potassium channel

modulator in late-stage clinical development. Azetukalner is designed to open potassium channels in the central nervous system, allowing potassium ions to flow and hyperpolarizing neurons. This process helps reduce excessive neuronal firing, which is a key contributor to several neurologic and psychiatric disorders.

Phase 3 Epilepsy Studies

Xenon's clinical development program for azetukalner in epilepsy includes three Phase 3 clinical studies in focal onset seizures (FOS) and primary generalized tonic-clonic seizures (PGTCS). The completed X-TOLE2 study and the ongoing X-TOLE3 study were both designed as multicenter, randomized, double-blind, placebo-controlled studies to evaluate the clinical efficacy, safety, and tolerability of 15 mg or 25 mg of azetukalner administered orally with food as adjunctive treatment in approximately 360 patients with FOS per study. The primary efficacy endpoint is median percent change (MPC) in monthly seizure frequency from baseline through the 12-week double-blind period (DBP) of azetukalner compared to placebo.

X-ACKT is a multicenter, randomized, double-blind, placebo-controlled study evaluating the clinical efficacy, safety, and tolerability of 25 mg of azetukalner administered with food as adjunctive treatment in approximately 160 patients with PGTCS. The primary efficacy endpoint is MPC in monthly PGTCS frequency from baseline through the 12-week DBP of azetukalner compared to placebo.

Upon completion of the DBP in the Phase 3 epilepsy studies, eligible patients may enter an open-label extension (OLE) study for up to six years.

Phase 3 MDD Studies

Xenon's Phase 3 X-NOVA major depressive disorder (MDD) program includes three multicenter, randomized, double-blind, placebo-controlled clinical studies to evaluate the clinical efficacy, safety, and tolerability of 20 mg of azetukalner administered orally with food over the 6-week double-blind period (DBP) as monotherapy treatment in approximately 450 patients with moderate-to-severe MDD per study. The primary efficacy endpoint is the change from baseline in the HAM-D17 score at week 6 in patients who received azetukalner compared to placebo. Upon completion of the DBP, eligible patients may enter an open-label extension (OLE) study for up to 12 months.

Phase 3 BPD Studies

Xenon's Phase 3 X-CEED Bipolar Depression **(**BPD) program includes two multicenter, randomized, double-blind, placebo-controlled clinical studies to evaluate the clinical efficacy, safety, and tolerability of 20 mg of azetukalner administered orally with food over the 6-week double-blind period (DBP) as monotherapy treatment in approximately 400 patients per study with BPD I or II. The primary efficacy endpoint is the change from baseline in the MADRS score at week 6 in patients who received azetukalner compared to placebo. Upon completion of the DBP, eligible patients may enter an open-label extension (OLE) study for up to 12 months.

About Xenon Pharmaceuticals Inc.

Xenon Pharmaceuticals (Nasdaq: XENE) is a neuroscience-focused biopharmaceutical company dedicated to drug discovery, clinical development, and commercialization of life-changing therapeutics for patients in need. Xenon's lead molecule, azetukalner, is a novel, potent K_V7 potassium channel opener in late-stage clinical development for the treatment of epilepsy, major depressive disorder and bipolar depression. Xenon is also advancing an early-stage portfolio of multiple promising potassium and sodium channel modulators, including K_V7 and $Na_V1.7$ programs in Phase 1 development for the potential treatment of pain. Xenon has offices in Vancouver, British Columbia, and Boston, Massachusetts. For more information, visit www.xenon-pharma.com and follow us on LinkedIn and X.

Safe Harbor Statement

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995 and Canadian securities laws. These forward-looking statements are not based on historical fact, and include statements regarding the timing of and potential results from clinical studies; the potential efficacy, safety profile, future development plans in current and anticipated indications, addressable market, regulatory success and commercial potential of our and our partners' product candidates; the efficacy of our clinical study designs; our ability to successfully develop and achieve milestones in our azetukalner and other pipeline and development programs, including the potential timing of trial enrollment completion and the anticipated filing of INDs (or equivalent) and NDAs; the timing and results of our interactions with regulators, including the timing of any NDA submission; our ability to successfully develop, and obtain regulatory approval for, and commercialize azetukalner and our other product candidates; and anticipated timing of topline data readout from our clinical studies of azetukalner. These forward-looking statements are based on current assumptions that involve risks, uncertainties and other factors that may cause the actual results, events, or developments to be materially different from those expressed or implied by such forward-looking statements. These risks and uncertainties, many of which are beyond our control, include, but are not limited to: clinical studies may not demonstrate safety and efficacy of any of our or our collaborators' product candidates; promising results from pre-clinical

development activities or early clinical study results may not be replicated in later clinical studies; our assumptions regarding our planned expenditures and sufficiency of our cash to fund operations may be incorrect; our ongoing discovery and pre-clinical efforts may not yield additional product candidates; any of our or our collaborators' product candidates, including azetukalner, may fail in development, may not receive required regulatory approvals, or may be delayed to a point where they are not commercially viable; we may not achieve additional milestones in our proprietary or partnered programs; regulatory agencies may impose additional requirements prior to approval or delay the initiation or completion of clinical studies; the impact of market, industry, and regulatory conditions on clinical study enrollment; the impact of competition; the impact of expanded product development and clinical activities on operating expenses; the impact of new or changing laws and regulations; the impact of unstable economic conditions in the general domestic and global economic markets; adverse conditions from geopolitical events; as well as the other risks identified in our filings with the U.S. Securities and Exchange Commission and the securities commissions in British Columbia, Alberta, and Ontario. These forward-looking statements speak only as of the date hereof and we assume no obligation to update these forward-looking statements, and readers are cautioned not to place undue reliance on such forward-looking statements.

Contacts

For Investors:
Tucker Kelly
Chief Financial Officer
investors@xenon-pharma.com

For Media:
Colleen Alabiso
Senior Vice President, Corporate Affairs
media@xenon-pharma.com

XENON PHARMACEUTICALS INC.
Condensed Consolidated Balance Sheets
(Expressed in thousands of U.S. dollars)

	June 30, 2026	December 31, 2025
Assets		
Current assets:		
Cash, cash equivalents and marketable securities	$ 930,686	$ 548,886
Other current assets	15,182	11,763
Marketable securities, long-term	314,411	37,152
Other long-term assets	35,493	35,362
Total assets	$ 1,295,772	$ 633,163
Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities	$ 43,671	$ 40,260
Other current liabilities	1,338	1,532
Other long-term liabilities	8,367	9,611
Total liabilities	$ 53,376	$ 51,403
Shareholders' equity	$ 1,242,396	$ 581,760
Total liabilities and shareholders' equity	$ 1,295,772	$ 633,163

XENON PHARMACEUTICALS INC.
Condensed Consolidated Statements of Operations and Comprehensive Loss
(Expressed in thousands of U.S. dollars except share and per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Revenue	$ —	$ —	$ —	$ 7,500

Operating expenses:				
Research and development	99,224	74,985	187,732	136,185
General and administrative	23,931	19,244	47,751	38,282
Total operating expenses	123,155	94,229	235,483	174,467
Loss from operations	(123,155)	(94,229)	(235,483)	(166,967)
Other income	11,834	8,897	19,289	17,015
Loss before income taxes	(111,321)	(85,332)	(216,194)	(149,952)
Income tax recovery	585	626	3,156	199
Net loss	$ (110,736)	$ (84,706)	$ (213,038)	$ (149,753)
Other comprehensive income (loss):				
Unrealized gain (loss) on available-for-sale securities	(1,445)	949	(2,991)	1,725
Comprehensive loss	$ (112,181)	$ (83,757)	$ (216,029)	$ (148,028)
Net loss per common share:				
Basic and diluted	$ (1.11)	$ (1.07)	$ (2.28)	$ (1.90)
Weighted average common shares outstanding:				
Basic and diluted	99,609,804	78,953,445	93,477,761	78,820,474