



May 10, 2017

## Catalyst Pharmaceuticals Announces First Quarter 2017 Financial Results and Provides Corporate Update

CORAL GABLES, Fla., May 10, 2017 (GLOBE NEWSWIRE) -- Catalyst Pharmaceuticals, Inc. (Catalyst) (Nasdaq:CPRX), a biopharmaceutical company focused on developing and commercializing innovative therapies for people with rare debilitating neuromuscular and neurological diseases, today reported financial results for the first quarter ended March 31, 2017.

"We continue to work diligently toward the completion of enrollment in our Firdapse® LEMS and CMS clinical trials," said Patrick J. McEnany, Chief Executive Officer of Catalyst. "We were also pleased to announce positive top-line results from a proof-of-concept trial for Firdapse as a potential treatment for myasthenia gravis patients that are MuSK antibody positive. We remain committed to the rest of our scientific pipeline and continue to seek ways to leverage our CPP-115 and vigabatrin programs."

### Q1 and Recent Highlights

- | Announced positive top-line results from the investigator-sponsored trial evaluating Firdapse as a treatment for myasthenia gravis patients that are MuSK antibody positive (MuSK-MG)
- | Supported Rare Disease Day® on February 28 to help elevate public understanding of rare diseases
- | Ended March 31, 2017 with \$36.5 million in cash and investments and no debt

### Upcoming Milestones

- | Poster presentation of Dr. Mantegazza's investigator-sponsored study of Firdapse for the treatment of MuSK antibody positive myasthenia gravis (MuSK-MG) at the 13<sup>th</sup> International Conference on Myasthenia Gravis and Related Disorders
  - Following the presentation on May 15, 2017, the poster will be available on the Investor page of the company's website at [www.catalystpharma.com](http://www.catalystpharma.com)
- | Complete enrollment in LEMS (LMS-003) and CMS (CMS-001) clinical trials
- | Expect top-line results from LEMS and CMS trials, and NDA submission for Firdapse in second-half 2017
- | Meet with FDA and external experts about regulatory path forward for the MuSK-MG pivotal, U.S. multi-center trial
- | Exploring alternatives for CPP-115 further development
- | Continuing efforts to partner the generic Sabril® (vigabatrin) program
- | In the second half of 2017 reinstate pre-commercialization activities for a potential 2018 launch of Firdapse

### First Quarter 2017 Financial Results

For the quarter ended March 31, 2017, Catalyst reported a GAAP net loss of \$4,967,129, or \$0.06 per basic and diluted share, compared to a GAAP net loss of \$5,386,237, or \$0.07 per basic and diluted share, for the same period in 2016. Excluding the non-cash expense of \$397,235 attributable to the change in fair value of liability-classified warrants, Non-GAAP<sup>1</sup> net loss was \$4,569,894 or \$0.06 per basic and diluted share for the first quarter of 2017. In comparison, Non-GAAP<sup>1</sup> net loss for the first quarter of 2016 was \$6,119,593, or \$0.07 per basic and diluted share, which excludes non-cash gain of \$733,356 attributable to the change in fair value of liability-classified warrants.

Research and development expenses for the first quarter of 2017 were \$2,813,929 compared to \$3,546,391 in the first quarter of 2016. Research and development expenses decreased when compared to the same period in 2016, due primarily to decreased costs for regulatory consulting, drug product manufacturing and clinical and pre-clinical activities.

General and administrative expenses for the first quarter of 2017 totaled \$1,865,942 compared to \$2,691,145 in the first quarter of 2016. The decrease when compared to the same period in 2016 is primarily due to decreased employee costs due to a reduction in headcount, and a decrease in recruiting expenses and consulting costs for pre-commercialization activities.

As a development-stage specialty pharmaceutical company, Catalyst had no revenues in either the first quarter of 2017 or the first quarter of 2016.

At March 31, 2017, Catalyst had cash and cash equivalents and short-term investments of \$36.5 million and no debt. Catalyst believes that its existing capital resources will be sufficient to support its planned operations through at least the next 12 months.

More detailed financial information and analysis may be found in the Company's Quarterly Report on Form 10-Q, which was filed with the Securities and Exchange Commission (SEC) on May 10, 2017.

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<sup>1</sup> Statements made in this press release include a non-GAAP financial measure. Such information is provided as additional information and not as an alternative to Catalyst's financial statements presented in accordance with generally accepted accounting principles (GAAP). This non-GAAP financial measure is intended to enhance an overall understanding of Catalyst's current financial performance. Catalyst believes that the non-GAAP financial measure presented in this press release provides investors and prospective investors with an alternative method for assessing Catalyst's operating results in a manner that Catalyst believes is focused on the performance of ongoing operations and provides a more consistent basis for comparison between periods. The non-GAAP financial measure in this press release excludes from the calculation of net loss the expense (or the income) associated with the change in fair value of the liability-classified warrants. Non-GAAP net loss per share is calculated by dividing non-GAAP net loss by the weighted average common shares outstanding.

## **Conference Call**

Catalyst management will host an investment-community conference call and webcast at 8:30 a.m. EDT on Thursday, May 11<sup>th</sup>, 2017 to discuss the financial results and provide a corporate update. Investors who wish to participate in the conference call may do so by dialing (877) 407-8912 for domestic and Canadian callers or (201) 689-8059 for international callers. Those interested in listening to the conference call live via the internet may do so by visiting the Investors page of the company's website at [www.catalystpharma.com](http://www.catalystpharma.com) and clicking on the webcast link on the Investors home page. A webcast replay will be available on the Catalyst website for 30 days following the call by visiting the Investor page of the company's website at [www.catalystpharma.com](http://www.catalystpharma.com).

## **About Catalyst Pharmaceuticals**

Catalyst Pharmaceuticals is a biopharmaceutical company focused on developing and commercializing innovative therapies for people with rare debilitating neuromuscular and neurological diseases, including Lambert-Eaton myasthenic syndrome (LEMS), congenital myasthenic syndromes (CMS), MuSK antibody positive myasthenia gravis and infantile spasms. Firdapse® has received Breakthrough Therapy Designation from the U.S. Food and Drug Administration (FDA) for the treatment of LEMS and Orphan Drug Designation for LEMS, CMS and myasthenia gravis. Firdapse is the first and only approved drug in Europe for symptomatic treatment in adults with LEMS.

Catalyst is also developing CPP-115 to treat refractory infantile spasms, and possibly refractory Tourette's Disorder. CPP-115 has been granted U.S. Orphan Drug Designation for the treatment of infantile spasms by the FDA and has been granted E.U. Orphan Medicinal Product Designation for the treatment of West syndrome by the European Commission. In addition, Catalyst is developing a generic version of Sabril® (vigabatrin).

## **Forward-Looking Statements**

*This press release contains forward-looking statements. Forward-looking statements involve known and unknown risks and uncertainties, which may cause Catalyst's actual results in future periods to differ materially from forecasted results. A number of factors, including whether the receipt of breakthrough therapy designation for Firdapse will expedite the development and review of Firdapse by the FDA or the likelihood that the product will be found to be safe and effective, the timing of Catalyst's second trial evaluating Firdapse for the treatment of LEMS and whether the trial will be successful, whether Catalyst's assumptions in its updated business plan will be accurate and the impact of unanticipated events or delays in projected activities on Catalyst's cash requirements and on Catalyst's ability to get to an accepted NDA submission for Firdapse without the need for additional funding, what clinical trials and studies will be required before Catalyst can resubmit an NDA for Firdapse for the treatment of CMS and whether any such required clinical trials and studies will be successful, whether any NDA for Firdapse resubmitted to the FDA will ever be accepted for filing, the timing of any such NDA filing or acceptance, whether, if an NDA for Firdapse is accepted for filing, such NDA will be given a priority review by the FDA, whether Catalyst can successfully design and complete a registration trial evaluating Firdapse for the treatment of MuSK-MG that is acceptable to the FDA, whether any such future trial evaluating Firdapse for the treatment of MuSK-MG will be successful, whether Catalyst can obtain the funding required to conduct such a trial, whether Firdapse will ever be approved for commercialization, whether Catalyst will be the first company to receive approval for amifampridine (3,4-DAP), giving it 5-year marketing exclusivity for its product, whether CPP-115 will be determined to be safe for humans, what additional testing will be required before CPP-115 is "Phase 2 ready", whether CPP-115 will be determined to be effective*

for the treatment of refractory infantile spasms or possibly Tourette's Disorder or for any other indications, whether Catalyst can successfully design and complete a bioequivalence study of its version of vigabatrin compared to Sabril that is acceptable to the FDA, whether any such bioequivalence study the design of which is acceptable to the FDA will be successful, whether any ANDA that Catalyst submits for a generic version of Sabril will be accepted for filing, whether any ANDA for Sabril accepted for filing by the FDA will be approved (and the timing of any such approval), whether any of Catalyst's product candidates will ever be approved for commercialization or successfully commercialized, and those other factors described in Catalyst's Annual Report on Form 10-K for the fiscal year 2016 and its other filings with the U.S. Securities and Exchange Commission (SEC), could adversely affect Catalyst. Copies of Catalyst's filings with the SEC are available from the SEC, may be found on Catalyst's website, or may be obtained upon request from Catalyst. Catalyst does not undertake any obligation to update the information contained herein, which speaks only as of this date.

**CATALYST PHARMACEUTICALS, INC.**  
**STATEMENTS OF OPERATIONS (unaudited)**

	For the Three Months Ended March 31,	
	2017	2016
Revenues	\$ --	\$ --
Operating costs and expenses:		
Research and development	2,813,929	3,546,391
General and administrative	1,865,942	2,691,145
Total operating costs and expenses	4,679,871	6,237,536
Loss from operations	(4,679,871)	(6,237,536)
Other income, net	109,977	117,943
Change in fair value of warrants liability	(397,235)	733,356
Loss before income taxes	(4,967,129)	(5,386,237)
Provision for income taxes	--	--
Net loss	\$ (4,967,129)	\$ (5,386,237)
Net loss per share - basic and diluted	\$ (0.06)	\$ (0.07)
Weighted average shares outstanding - basic and diluted	82,972,316	82,860,083

**CATALYST PHARMACEUTICALS, INC.**  
**CONDENSED BALANCE SHEETS**

	March 31, 2017	December 31, 2016
	(unaudited)	
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents	\$ 9,981,044	\$ 13,893,064
Short-term investments	26,545,898	26,512,753
Prepaid expenses and other current assets	929,862	1,047,944
Total current assets	37,456,804	41,453,761
Property and equipment, net	231,246	244,204
Deposits	8,888	8,888
Total assets	\$37,696,938	\$ 41,706,853
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current Liabilities:		
Accounts payable	\$ 917,928	\$ 933,176
Accrued expenses and other liabilities	987,612	1,161,359
Total current liabilities	1,905,540	2,094,535
Accrued expenses and other liabilities, non-current	175,992	181,162
Warrants liability, at fair value	519,461	122,226
Total liabilities	2,600,993	2,397,923
Total stockholders' equity	35,095,945	39,308,930

Total liabilities and stockholders' equity	<u>\$37,696,938</u>	<u>\$ 41,706,853</u>
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