



## **Protagenic Therapeutics Completes Phytanix Separation, Strengthens Balance Sheet and Repositions the Company Around PT00114**

*Returned and cancelled merger shares, removal of more than \$6.3 million of liabilities and over \$1 million of annualized cost savings position Protagenic as a leaner company centered on PT00114*

**NEW YORK CITY, NY / [ACCESS Newswire](#) / March 17, 2026** / Protagenic Therapeutics, Inc. (OTCQB:PTIX), a clinical-stage biopharmaceutical company developing first-in-class treatments for stress-related neuropsychiatric disorders, today announced the closing of a settlement and separation related to its prior Phytanix Bio acquisition. The transaction simplifies Protagenic's capital structure, materially reducing liabilities and sharpens the Company's operating focus on PT00114.

At the common-share level, the separation impact is measurable for shareholders. Protagenic reported 1,934,878 common shares outstanding as of November 26, 2025. Under the separation agreement, all 117,690 common shares issued in connection with the May 2025 transaction were returned to the Company and cancelled. As of March 5, 2026, Protagenic reported 1,810,208 common shares outstanding. The returned merger shares represented approximately 6% of the November 2025 common share base, increasing the ownership percentage represented by each remaining common share.

The separation also removes more than \$6.3 million of liabilities from Protagenic's balance sheet, reducing total liabilities from approximately \$6.8 million to approximately \$0.5 million, while eliminating more than \$1mm in annualized costs associated with the Phytanix organization and their operations.. Protagenic expects the remaining approximately \$0.5 million of liabilities to consist principally of ordinary-course trade payables associated with ongoing operations.

### Key Implications for PTIX Shareholders

- **Greater per-share ownership.** The 117,690 merger shares returned and cancelled represented approximately 6% of the 1,934,878 common shares outstanding reported as of November 26, 2025. As of March 5, 2026, the Company reported 1,810,208 common shares outstanding.
- **Materially cleaner balance sheet.** More than \$6.3 million of liabilities were removed, reducing total liabilities to approximately \$0.5 million, principally ordinary-course payables.
- **Leaner cost structure.** More than \$1 million of annualized personnel and related operating expense tied to the Phytanix organization has been eliminated.
- **Capital concentrated on PT00114.** Management can now prioritize a first-in-class clinical program with positive multiple-dose Phase 1 safety data and Phase 2 enrollment planned for 2026.
- **Reduced transaction overhang.** Merger-related litigation has been resolved, governance has been simplified and each company can advance independently.

PT00114, a first-in-class investigational compound targeting the TCAP pathway, is now the Company's primary clinical priority. In December 2025, Protagenic reported positive topline results from the program's Phase 1 multiple-dose study: PT00114 was well tolerated across all dose ranges studied, no serious adverse events were observed and all planned cohorts completed dosing. The Company remains on track to begin Phase 2 enrollment in 2026.

"This separation materially strengthens Protagenic's corporate profile and narrows our execution focus," said Garo

Armen, Ph.D., Executive Chairman of Protagenic. "We now have fewer common shares outstanding, a far lighter liability structure and a leaner operating model. Most importantly, we can commit management attention and capital to PT00114, which we believe represents the Company's most important opportunity to create value."

"PT00114 is an especially compelling clinical asset because it is pursuing a differentiated pathway in disorders where unmet need remains substantial," said Bill Nichols, President of Protagenic. "With positive Phase 1 multiple-dose safety data in hand and Phase 2 targeted for 2026, we believe the Company is better positioned to pursue the next stage of development from a cleaner and more focused operating base."

The liability reduction principally reflects the removal of legacy Phytanix notes, payables, derivative obligations and related-party balances from Protagenic's balance sheet. The separation also terminates Phytanix-related employment, consulting and advisory arrangements and simplifies the Company's governance structure.

#### About PT00114

PT00114 is Protagenic's lead clinical program and a first-in-class investigational compound targeting the teneurin C-terminal associated peptide (TCAP) pathway, a novel mechanism being studied for treatment-resistant depression, anxiety and related stress disorders. The program recently reported positive Phase 1 multiple-dose safety data, including tolerability across all dose ranges studied and no serious adverse events observed. Protagenic is advancing PT00114 toward Phase 2 in 2026.

#### About Protagenic Therapeutics

Protagenic Therapeutics, Inc. (OTCQB:PTIX) is a clinical-stage biopharmaceutical company focused on developing first-in-class peptide-based treatments for stress-related neuropsychiatric disorders. The Company is headquartered in New York, NY.

#### Forward-Looking Statements

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, including but not limited to statements regarding the anticipated benefits of the settlement and separation related to the Phytanix transaction, the Company's expected balance sheet and liability position following the transaction, anticipated reductions in annual operating costs, the planned timing of Phase 2 enrollment for PT00114, and the therapeutic potential of PT00114 in treatment-resistant depression, anxiety and related stress disorders. These statements are based on current expectations and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or achievements to differ materially from those expressed or implied. Factors that could cause such differences include, without limitation, the inherent uncertainty of clinical development, regulatory review and approval processes, the availability of financing, and other risks described in the Company's filings with the Securities and Exchange Commission. Protagenic Therapeutics undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

**Investor & Media Contact:** Protagenic Therapeutics, Inc. | [info@protagenic.com](mailto:info@protagenic.com) | [www.protagenic.com](http://www.protagenic.com)

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