

IX BIOPHARMA LTD.
(Company Registration No. 200405621W)
(Incorporated in the Republic of Singapore)

**PROPOSED PLACEMENT OF 44,491,299 NEW ORDINARY SHARES
IN THE CAPITAL OF IX BIOPHARMA LTD.**

1. INTRODUCTION

- 1.1. The board of directors (the "**Directors**") of iX Biopharma Ltd. (the "**Company**", together with its subsidiaries, the "**Group**") is pleased to announce that the Company has on 28 July 2020 entered into a conditional subscription agreement (the "**Subscription Agreement**") with the Subscribers (as defined below) pursuant to which the Subscribers have agreed to subscribe for an aggregate of 44,491,299 new ordinary shares in the capital of the Company (the "**Subscription Shares**") at S\$0.23 per Subscription Share (the "**Subscription Price**"), amounting to a total of S\$10.233 million (the "**Subscription Amount**"), on the terms and subject to the conditions of the Subscription Agreement (the "**Placement**").
- 1.2. Pursuant to the Subscription Agreement, the Company will allot and issue to the following persons (collectively, the "**Subscribers**" and each a "**Subscriber**") the number of Subscription Shares set out against their respective names below:

S/N	Name of Subscriber	Number of Subscription Shares to be Subscribed for	Subscription Consideration (S\$)	As a Percentage of the Company's Issued Share Capital as at the Date of this Announcement	As a Percentage of the Company's Issued Share Capital Immediately after the Placement
1.	Lee Loi Sing	4,347,826	1,000,000	0.67%	0.63%
2.	Eternal Glade Investment Pte. Ltd.	2,173,913	500,000	0.34%	0.31%
3.	ICH Capital Pte. Ltd.	2,173,913	500,000	0.34%	0.31%
4.	Lee Sai Sing	3,260,869	750,000	0.50%	0.47%
5.	Pheim Asset Management (Asia) Pte. Ltd.	521,739	120,000	0.08%	0.08%
6.	Pheim Asset Management Sdn Bhd	184,000	42,320	0.03%	0.03%
7.	Pheim ASEAN All-Cap Equity Fund	1,652,173	380,000	0.25%	0.24%
8.	Dana Makmur Pheim	1,818,413	418,235	0.28%	0.26%
9.	Pheim Income Fund	98,000	22,540	0.02%	0.01%
10.	Pheim Asia Ex-Japan Islamic Fund	73,500	16,905	0.01%	0.01%

S/N	Name of Subscriber	Number of Subscription Shares to be Subscribed for	Subscription Consideration (S\$)	As a Percentage of the Company's Issued Share Capital as at the Date of this Announcement	As a Percentage of the Company's Issued Share Capital Immediately after the Placement
11.	Seah Qin Quan	2,608,695	600,000	0.40%	0.38%
12.	Ang Hock Huat	2,000,000	460,000	0.31%	0.29%
13.	Ivie Peh Sher Ngim	4,782,608	1,100,000	0.74%	0.69%
14.	Ang Kian Hwa	434,782	100,000	0.07%	0.06%
15.	Tan Sar Tee	6,521,739	1,500,000	1.01%	0.94%
16.	Lim Soon Fang	2,173,913	500,000	0.34%	0.31%
17.	Yeoh Wee Liat	1,000,000	230,000	0.15%	0.14%
18.	Ding Yanzhong	500,000	115,000	0.08%	0.07%
19.	Andrew Granville Waller	434,782	100,000	0.07%	0.06%
20.	Falcon Investment Advisors Pte. Ltd.	2,173,913	500,000	0.34%	0.31%
21.	Joshua Lee Jun Jie	1,600,000	368,000	0.25%	0.23%
22.	Siew Yew Khuen	869,565	200,000	0.13%	0.13%
23.	Song Hwee Tiong	1,086,956	250,000	0.17%	0.16%
24.	Asdew Acquisitions Pte Ltd	2,000,000	460,000	0.31%	0.29%

- 1.3. The Subscription Shares represent approximately 6.86% of the existing share capital of the Company and 6.42% of the share capital of the Company immediately following the completion of the Placement (the "**Completion**"). Completion will take place on a date falling no later than three business days from the receipt of the Subscription Amount by the Company, subject to the conditions in paragraph 2.3 having been fulfilled or waived or such other date as the Company and the Subscriber may mutually agree in writing (the "**Completion Date**").
- 1.4. The Subscription Shares, when allotted and issued, shall be free from all claims, charges, liens, mortgages, securities, pledges, equities, encumbrances and other interests whatsoever and shall rank *pari passu* in all respects with and carry all rights similar to existing ordinary shares in the capital of the Company ("**Shares**") as at the Completion Date, except that they will not rank for any dividend, right, allotment or other distributions, the record date for which falls on or before the Completion Date.
- 1.5. The Placement will be undertaken pursuant to the private placement exemption under Section 272B of the Securities and Futures Act, Chapter 289 of Singapore. As such, no offer information statement will be lodged with the Monetary Authority of Singapore in connection with the allotment and issue of the Subscription Shares.

2. EXTRAORDINARY GENERAL MEETING AND PRINCIPAL TERMS OF THE PLACEMENT

2.1 Extraordinary General Meeting

In connection with the Placement, the Company intends to seek specific approval from shareholders of the Company ("**Shareholders**") at an extraordinary general meeting of the Company ("**EGM**") to be convened for the allotment and issuance of the Subscription Shares at the Subscription Price.

2.2 Subscription Price

The Subscription Price of S\$0.23 per Subscription Share represents a discount of approximately 27.67% to the volume weighted average price ("**VWAP**") of S\$0.318 per Share for trades done on the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 27 July 2020, which is the preceding market day and up to the time the Subscription Agreement was signed.

As the Subscription Price represents a discount of more than 10.0% to the VWAP, the Company is required under Rule 811(3) of the SGX-ST Listing Manual Section B: Rules of Catalist to seek the specific approval of Shareholders for the allotment and issuance of the Subscription Shares at the Subscription Price.

2.3 Conditions Precedent to the Completion

Pursuant to the terms of the Subscription Agreement, Completion is conditional upon, *inter alia*:

- (a) approval for the allotment and issuance of the Subscription Shares at the Subscription Price being obtained from the shareholders of the Company at an extraordinary general meeting to be convened by the Company;
- (b) the listing and quotation notice being obtained from SGX-ST approving, *inter alia*, the listing of and quotation for the Subscription Shares on the Official List of SGX-ST's on Catalist and such approval not having been revoked or amended and, where such approval is subject to conditions, such conditions being acceptable to the Company, and to the extent that any conditions for the listing of and quotation for the Subscription Shares on SGX-ST are required to be fulfilled on or before the Completion Date, they are so fulfilled;
- (c) the subscription for the Subscription Shares by the Issuer and the allotment and issue of the Subscription Shares to the Subscribers not being prohibited by any statute, order, rule, regulation or directive promulgated or issued after the date of the Subscription Agreement by any legislative, executive or regulatory body or authority of the Republic of Singapore (including without limitation, the SGX-ST, the Monetary Authority of Singapore and/or the Securities Industry Council of Singapore) or elsewhere which is applicable to the Company or the Subscriber;
- (d) the respective representations, warranties and undertakings of the Subscriber and the Company as set out in the Subscription Agreement remaining true, accurate and not misleading in all respects as at the date of the Subscription Agreement and up to and including the Completion Date.

2.4 Additional Listing Application

The sponsor of the Company, CIMB Bank Berhad, Singapore Branch, will make an application on behalf of the Company to SGX-ST for the listing of and quotation for the Subscription Shares

on the Catalist Board of SGX-ST ("**Catalist**"). The Company will make the necessary announcement(s) in due course when the listing and quotation notice from SGX-ST for the listing of and quotation for the Subscription Shares and the Introducer Shares on Catalist has been obtained.

3. RATIONALE AND USE OF PROCEEDS

- 3.1 The Directors are of the view that the Placement is beneficial to the Group as it will support the future growth of the Group. As the Group transitions from being focused on research and development to commercialisation, the Company intends to strengthen its balance sheet to allow it to commercialise a number of products across different markets.

Management of the Company commenced fund-raising activities from early June 2020 after Covid-19 restrictions were eased. Meetings with the Subscribers generated significant interest and agreements to participate at a price not more than 10% discount to the weighted average price for trades done on SGX-ST for the full market day on which the subscription agreement is to be signed. During this period, the daily closing share price ranged from \$0.245 to \$0.26. Prior to this, the historical average monthly share price for March, April and May 2020 was \$0.16, \$0.18 and \$0.26, respectively.

As negotiations advanced, there was a sudden surge in interest for pharmaceutical/healthcare companies. The iEdge Singapore Healthcare index saw a 28% increase over the period between 26 June to 27 July 2020. At the same time, the Company's share price also spiked by 27% to \$0.31. The Subscribers were unwilling to participate at the elevated share price. The Directors are of the view that, having regard to the historical trading price, the Subscription Price is reasonable.

- 3.2 The net cash proceeds of approximately S\$10.18 million from the Placement (after deducting estimated expenses (including professional fees and expenses) of approximately S\$50,000) (the "**Net Proceeds**"), will be utilised as follows:

- (i) approximately 60.0% of the Net Proceeds will be used for the development, manufacturing and marketing activities required for the Group's pharmaceutical and nutraceutical products in the pipeline; and
- (ii) approximately 40.0% of the Net Proceeds will be used for general working capital.

- 3.3 The Company will make periodic announcements on the utilisation of the Net Proceeds as and when the Net Proceeds are materially disbursed, including whether the use was in accordance with the intended use as announced, and will provide a status report on the use of the Net Proceeds in the Company's interim and full-year financial statements and annual report. The Company will also disclose a breakdown with specific details on the use of proceeds for working capital in announcements and annual reports.

- 3.4 Pending the deployment of the Net Proceeds from the Placement, such Net Proceeds may be placed as deposits with financial institutions or invested in short term money markets or debt instruments or for any other purposes on a short term basis as the Directors may in their absolute discretion deem fit.

- 3.5 The Company continuously evaluates its sources of funding and may in the future require additional funding in the form of equity or debt for its future growth. The Company will make an announcement if and when there are any material developments.

4. DETAILS ON THE SUBSCRIBERS

Further details on the Subscribers are set out in Appendix A to this announcement. The Subscribers are taking up the Subscription Shares for investment purposes and, unless otherwise disclosed in Appendix A to this Announcement, were introduced to the Company by the Directors and management of the Company.

To the best of the Company's knowledge, save as disclosed in Appendix A, none of the Subscribers has any connection (including business relationship) with the Company, its Directors and substantial shareholders, and is not a person to whom the Company is prohibited from placing its Shares to, as provided for under Rule 812(1) of SGX-ST Listing Manual Section B: Rules of Catalyst.

5. FINANCIAL EFFECTS OF THE PLACEMENT

5.1 The financial effects of the Placement set out below were prepared based on the unaudited consolidated financial statements of the Group for the six-month period ended 31 December 2019 ("**1H2020**"). The financial effects are strictly for illustrative purposes and do not necessarily reflect the actual future financial position and results of the Group following the completion of the Placement.

5.2 For the purpose of illustrating the financial effects of the Placement, the financial effects of the Placement are computed based on, *inter alia*, the following assumptions:

- (a) the financial effects on the Group's net asset value ("**NAV**") attributable to the equity holders of the Company and the NAV per Share are computed assuming that the Placement was completed on 31 December 2019;
- (b) the financial effects on the Group's loss attributable to the equity holders of the Company and the loss per Share are computed assuming that the Placement was completed on 1 July 2019; and
- (c) the expenses incurred by the Company in connection with the Placement are approximately S\$50,000.

5.3 NAV per Share

The effect of the Placement on the NAV per Share of the Group for 1H2020 is as follows:

	Before the Placement	After the Placement
Consolidated NAV attributable to equity holders of the Company (S\$'000)	15,117	25,300
Number of Shares	648,894,390	693,385,689
Consolidated NAV per Share attributable (Singapore cents)	2.33	3.65

5.4 Loss per Share ("**LPS**")

The effect of the Placement on the LPS of the Group for 1H2020 is as follows:

	Before the Placement	After the Placement
Loss attributable to equity holders of the Company (S\$'000)	(5,765)	(5,765)
Weighted average number of Shares	645,692,512	690,183,811
LPS (Singapore cents)	(0.89)	(0.84)

6. CONFIRMATION BY THE DIRECTORS

The Directors are of the opinion that after taking into consideration the Group's present bank facilities, the working capital available to the Group is sufficient to meet its present requirements. The Directors are of the opinion that after taking into consideration the Group's present bank facilities and Net Proceeds, the working capital available to the Group is sufficient to meet its present requirements.

7. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors or substantial shareholders of the Company, as well as their respective associates, has any interest, direct or indirect, in the Placement (other than through their respective shareholdings in the Company).

8. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the Subscription Agreement is available for inspection at the Company's registered office at 80 Robinson Road #02-00 Singapore 068898, for a period of three (3) months from the date of this announcement.

9. CAUTIONARY STATEMENT

Shareholders and potential investors are advised to exercise caution when dealing or trading in trading the Shares. The completion of the Placement is subject to certain conditions. As at the date of this announcement, there is no certainty or assurance that the Placement will be completed or that no changes will be made to the terms thereof. The Company will make the necessary announcements when there are further developments. Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

By Order of the Board

Lee Wei Hsiung / Wang Shin Lin, Adeline
Company Secretaries

28 July 2020

This announcement has been reviewed by the Company's sponsor, CIMB Bank Berhad, Singapore Branch (the "**Sponsor**"), in accordance with Rule 226(2) of Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist.

This announcement has not been examined or approved by SGX-ST and SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr. Yee Chia Hsing, Head of Catalist, CIMB Bank Berhad, Singapore Branch. The contact particulars are 50 Raffles Place, #09-01 Singapore Land Tower, Singapore 048623, telephone: (65) 6337-5115.

Appendix A

S/N	Subscriber Name	Description
1.	Lee Loi Sing	Mr. Lee is a private investor. He was introduced to the Company by Mr. Edison Chen, who is the founder of Eternal Glade Investment Pte. Ltd.
2.	Eternal Glade Investment Pte. Ltd.	Eternal Glade Investment Pte. Ltd. is a discretionary fund managed by ICHAM Pte. Ltd., a registered fund management company with the Monetary Authority of Singapore, focusing on equity investment in Asia (excluding Japan).
3.	ICH Capital Pte. Ltd.	ICH Capital Pte. Ltd. is an investment holding company. ICH Capital Pte. Ltd. was introduced to the Company by Mr. Edison Chen, who is the founder of Eternal Glade Investment Pte. Ltd.
4.	Lee Sai Sing	Mr. Lee is a private investor. He was introduced to the Company by Mr. Yee Chia Hsing of CIMB Bank Berhad, Singapore Branch.
5.	Pheim Asset Management (Asia) Pte. Ltd.	Pheim Asset Management (Asia) Pte. Ltd. is a licensed asset management company in Singapore, specializing in investing, on a discretionary basis on behalf of their clients, in listed securities in the markets of ASEAN and Asia ex-Japan region.
6.	Pheim Asset Management Sdn Bhd	Pheim Asset Management Sdn Bhd is a licensed asset management company in Malaysia, specializing in investing, on a discretionary basis on behalf of their clients, in listed securities in the markets of ASEAN and Asia ex-Japan.
7.	Pheim ASEAN All-Cap Equity Fund	Pheim ASEAN All-Cap Equity Fund is a mutual fund managed by Pheim Asset Management (Asia) Pte. Ltd., a licensed asset management company in Singapore specializing in investing, on a discretionary basis on behalf of their clients, in listed securities in the markets of ASEAN and Asia ex-Japan region.
8.	Dana Makmur Pheim	Dana Makmur Pheim is a unit trust fund managed by Pheim Asset Management Sdn Bhd.
9.	Pheim Income Fund	Pheim Income Fund is a unit trust fund managed by Pheim Asset Management Sdn Bhd.
10.	Pheim Asia Ex-Japan Islamic Fund	Pheim Asia Ex-Japan Islamic Fund is a unit trust fund managed by Pheim Asset Management Sdn Bhd.
11.	Seah Qin Quan	Mr. Seah is a private investor.
12.	Ang Hock Huat	Mr. Ang is a private investor. He has been engaged as a consultant to the Company since 1 July 2018 to assist the Company in business development activities for its nutraceuticals business in China.
13.	Ivie Peh Sher Ngim	Ms. Peh is a private investor.
14.	Ang Kian Hwa	Mr. Ang is a private investor.
15.	Tan Sar Tee	Mr. Tan is a private investor.
16.	Lim Soon Fang	Mr. Lim is a private investor. He is a client of Harry Elias Partnership, a law firm at which the Company's independent director, Ms. Claudia Teo, is a partner.
17.	Yeoh Wee Liat	Mr. Yeoh is a private investor.
18.	Ding Yanzhong	Mr. Ding is a private investor.

S/N	Subscriber Name	Description
19.	Andrew Granville Waller	Mr. Waller is a private investor.
20.	Falcon Investment Advisors Pte. Ltd.	Falcon Investment Advisors Pte. Ltd. is a registered fund management company with the Monetary Authority of Singapore.
21.	Joshua Lee Jun Jie	Mr. Lee is a private investor.
22.	Siew Yew Khuen	Mr. Siew is a private investor.
23.	Song Hwee Tiong	Mr. Song is a private investor.
24.	Asdew Acquisitions Pte Ltd	Asdew Acquisitions Pte Ltd is an investment holding company.