
NEWS RELEASE

iX Biopharma Records 1H22 Net Profit of S\$3.66M

- Revenue lifted to S\$13.19M v 1H21 of S\$0.83M, driven by Wafermine out-licensing contribution
- Strong balance sheet with cash balance of S\$16.69M, another upfront fee payment of S\$1.58M received in Jan 2022

Singapore, 11 February 2022 – Specialty pharmaceutical company **iX Biopharma Ltd** (“iX Biopharma” or the “Group”) has reported a net profit of S\$3.66M for the six months ended 31 December 2021 (“1H22”), compared to a net loss of S\$2.81M recorded for the comparative period ended 31 December 2020 (“1H21”). The turnaround in profitability was driven by the out-licensing of Wafermine to Seelos Therapeutics, Inc in November 2021. In addition to the upfront fee, the partnership with Seelos Therapeutics, Inc could generate additional development and sales milestone payments of up to US\$239M and sales royalties moving forward.

On the back of the higher revenue, the Group also recorded a gross profit of S\$12.13M versus a gross loss of S\$0.16M in 1H21. Total expenses increased to S\$6.90M compared to S\$5.73M in 1H21, due mainly to expenses relating to the Wafermine out-licensing comprising a one-off expense of S\$0.92M (legal and advisory fees and share-based compensation) and S\$0.94M (financial advisor fees and other expenses). Excluding these expenses of S\$1.86M, the Group’s total expenses would have declined by S\$0.69M compared to 1H21.

At the close of the financial period, the Group’s cash and cash equivalents stood at S\$16.69M versus S\$6.21M as at 30 June 2021, mainly from the rights issue net proceeds of S\$9.62M in July 2021 and the upfront cash payment of US\$3.50M (S\$4.73M) from the Wafermine out-licensing.

The Group’s current assets were higher at S\$20.66M compared to S\$9.35M as at 30 June 2021, mainly due to the proceeds from the rights issue and receipts from the Wafermine out-licensing deal (comprising cash of S\$4.73M and cash receivable of S\$1.58M).

Mr Eddy Lee, Chairman & CEO of iX Biopharma Ltd, said, “The positive set of results marks a significant inflection point in our business. The successful out-licensing of Wafermine is a validation of iX Biopharma’s business model of leveraging WaferiX sublingual drug delivery technology to repurpose existing approved drugs for new treatments. This is really the start of an exciting phase as we look forward to monetizing other drugs in our pipeline in line with our business model.”

The unlocking and monetizing of the Wafermine asset through the out-licensing deal frees up the Group’s resources to refocus on other products in its exciting pipeline such as sublingual dexmedetomidine. The Group intends to repurpose dexmedetomidine to address Alzheimer’s disease-related agitation, where patients suffering from Alzheimer’s disease exhibit excess restlessness and anxiety and even aggression and violence. As there are currently no FDA-approved therapies for the condition, this represents a significant unmet medical need which has an estimated global market size of US\$4.10 billion in 2020¹.

¹ Transparency Market Research, “Acute Agitation and Aggression Treatment Market Trends, 2021-2031”, <https://www.transparencymarketresearch.com/acute-agitation-and-aggression-treatment-market.html>

About iX Biopharma Ltd

iX Biopharma is a specialty pharmaceutical and nutraceutical company listed on the Catalist board of the Singapore Exchange Securities Trading Limited (SGX-ST), operating a fully integrated business model from drug development to manufacturing and supply, with facilities in Australia. The Group is focused on the development and commercialisation of therapies for diseases of the central nervous system using novel, patent-protected formulations for sublingual delivery.

iX Biopharma has developed a patented drug delivery platform technology, WaferiX. WaferiX delivers drug sublingually via the mucosa for better absorption, faster onset of action and predictable effect. The WaferiX delivery platform is particularly useful for drug repurposing which is a growing trend with a global market worth over US\$30 billion². Drug repurposing is where existing approved drugs are developed into new drugs targeting different indications or a different route of administration, at a lower development cost and risk. Other than Wafermine, iX Biopharma's portfolio includes among others, medicinal cannabis, sildenafil and buprenorphine sublingual wafers.

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² <https://www.intechopen.com/books/drug-repurposing-hypothesis-molecular-aspects-and-therapeutic-applications/drug-repurposing-dr-an-emerging-approach-in-drug-discovery>