
NEWS RELEASE

**iX Biopharma Records Eight-Fold Rise
in FY22 Revenue to S\$14.4M**

Singapore, 23 August 2022 – Specialty pharmaceutical company **iX Biopharma Ltd** (“iX Biopharma” or the “Group”) has registered a 725% jump in revenue to S\$14.39 million for its financial year ended 30 June 2022 (“FY2022”), compared to S\$1.75 million in the preceding financial year (“FY2021”). The Group also reported an adjusted EBITDA gain of S\$3.02 million against an adjusted EBITDA loss of S\$9.04 million in FY2021.

Mr Eddy Lee, Chairman & CEO of iX Biopharma said, “We are pleased to close the year strongly, recording our first profit before tax (excluding foreign exchange and fair value loss), reversing a loss of S\$10M from FY2021. With our strong cash balance, we look forward to continuing the momentum in FY2023 and executing our strategic plans, including developing a new pharmaceutical pipeline and expanding into new markets next year.”

The revenue jump was mainly driven by the receipt of upfront payment from the Group’s Wafermine out-licensing deal with Seelos Therapeutics, Inc. (“Seelos”) in November 2021, along with growth in its underlying businesses. Excluding the upfront licensing payment, revenue would have grown 16% to S\$2.02 million, compared to S\$1.75 million a year ago.

Revenue from the Specialty Pharmaceuticals segment rose 74% to S\$1.40 million, compared to S\$0.81 million in the previous financial year, on the back of higher sales generated from the provision of medicinal cannabis products and services

The Group’s Nutraceuticals business was affected by Covid-19-induced supply chain and logistics disruptions in Australia and China. In addition, the intermittent lockdowns and border closures in China resulted in customer hesitancy over online orders, for fear of the orders not being fulfilled. Consequently, revenue from this business segment declined 34% to S\$0.62 million, from S\$0.94 million in FY2021. Nevertheless, following the gradual easing of lockdowns in the country’s major cities, the Nutraceuticals segment has benefitted from improved consumer sentiment from the fourth quarter of FY2022, as evidenced by a strong recovery in sales during this period to account for more than 44% of the segment’s full-year contribution.

On the back of the out-licensing revenue and the improved underlying business activity, the Group recorded gross profit of S\$12.29 million, versus a gross loss of S\$0.38 million in FY2021.

Net loss for the year decreased 44% to S\$4.60 million, compared to S\$8.2 million a year ago. This took into account a S\$1.91 million net currency exchange loss from the depreciation of the Australian dollar against the Singapore dollar during the year, as well as a downward adjustment of S\$ 3.26 million in the fair value of the quoted equity shares in Seelos that the Group had received as part payment for the Wafermine out-licensing deal. Excluding the foreign exchange loss and the fair value adjustment, the Group would have recorded a profit before tax of S\$1.07 million.

As at end-FY2022, the Group's total current assets stood at S\$16.84 million, compared to S\$9.35 million as at 30 June 2021. Cash and cash equivalents amounted to S\$13.49 million as at 30 June 2022, compared to S\$6.21 million a year ago, lifted by net proceeds of S\$9.62 million received from the rights issue of 48.81 million shares at S\$0.20 apiece, as well as receipt of US\$4.67 million in cash from the out-licensing. Non-current assets rose to S\$11.67 million, from S\$9.51 million, in view of the quoted equity shares in Seelos and a deferred tax benefit. Both these items were related to the out-licensing.

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 billion¹. 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.

Contact for media:

Alvina Tan

Media & Investor Relations Consultant
T: +65 9787 7267
E: alvina.tan@arkadvisors.com.sg

Eva Tan

Chief Commercial Officer
T: +65 6235 3212
E: eva.tan@ixbiopharma.com

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, UOB Kay Hian Private Limited (the "Sponsor") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist.

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

The contact person for the Sponsor is Mr Lance Tan, Senior Vice President at 8 Anthony Road, #01-01, Singapore 229957, telephone (65) 6590 6881.

¹ <https://www.intechopen.com/books/drug-repurposing-hypothesis-molecular-aspects-and-therapeutic-applications/drug-repurposing-dr-an-emerging-approach-in-drug-discovery>