

IX BIOPHARMA LTD.

(Company Registration no. 200405621W)
(Incorporated in the Republic of Singapore)

**QUESTIONS AND ANSWERS PROVIDED BY IX BIOPHARMA LTD AHEAD OF THE
UPCOMING ANNUAL GENERAL MEETING TO BE HELD ON 14 OCTOBER 2022**

The Board of Directors of iX Biopharma Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the Company’s Annual Report and Notice of Annual General Meeting dated 22 September 2022.

The Company wishes to address key questions received from the Shareholders ahead of the upcoming annual general meeting to be held on 14 October 2022 (the “**AGM**”). The questions submitted to the Company by shareholders and the Company’s responses to those questions are set out below.

1. For the out-licensing of Wafermine to Seelos Therapeutics, what are the planned milestones to be achieved in the next 3 years and which are the ones where payment will be made to iX Biopharma? Will the subsequent payments be made in cash, stocks or both?

Following the signing of the out-licensing agreement with Seelos Therapeutics, Inc (“**Seelos**”), the Company and Seelos have achieved the following:

- (a) establishment of a Joint Steering Committee to review the development and commercialisation of the licensed product and coordinate on regulatory filings;
- (b) obtained approval from the United States Food and Drug Administration (FDA) to transfer the Investigational New Drug Application (IND) relating to Wafermine from the Company to Seelos;
- (c) Wafermine will be developed for Complex Regional Pain Syndrome (“**CRPS**”). The Company was granted orphan drug designation to use ketamine to treat CRPS. Seelos has designated this program as SLS-003.

The intended development plan for CRPS is as follows:

- i. Phase 2 study for CRPS;
- ii. subject to successful Phase 2, commence Phase 3 study for CRPS; and
- iii. subject to successful Phase 3, file a New Drug Application with the US FDA for marketing approval.

The Company will receive development milestone payments upon completion of (iii) and upon receipt of marketing approval.

Other than the upfront payment of the USD9 million (SGD12.35 million) in cash and shares that the Company has received, all future payments including development milestone payments, sales milestone payments and royalty payments will be made in cash.

- 2. The social acceptance and legality in the use of cannabis for medical purposes is not uniform across markets and Singapore is one which is not ready to decriminalise its use yet. As iX Biopharma expands its business in medical cannabis, geographically in the UK and potentially the US, and in terms of channel – from prescription to over-the-counter retail, does the Board see it more appropriate and potentially adding more value to shareholders to carve out the business and list it in a market (e.g. the US) which may have a larger pool of interested investors?**

The Company complies with the laws and regulations of the countries in which we operate our business including pharmaceutical, nutraceutical and medicinal cannabis business. The Board of Directors is focused on delivering growth in all areas of the business and will continue to assess all options to generate more shareholder value.

- 3. Please provide updates on the status of the HKEX spin off and listing of our pharmaceutical business. What stage are we in now? Have we lodged the prospectus with the authorities? Have we spoken with prospective investors? Please elaborate on the current status of the proposed IPO.**

Since our announcement, we have engaged professionals to advise us on the listing. As advised in the Company's announcement dated 12 July 2021, the spin-off and listing plans are dependent on among others, the results of preparatory work to be undertaken, requisite approvals from the relevant regulatory authorities as well as prevailing market conditions.

In the past 2 years, the Covid-19 pandemic caused the world to shut down, disrupted the global supply chain and negatively affected business operations. Emerging from the pandemic, the world is now confronted with geopolitical conflict, energy volatility and surging inflation. These have substantially shaken investor confidence. The Board of Directors are carefully monitoring and assessing the situation and will decide on the next steps when there is better visibility of the geopolitical and financial market conditions.

- 4. The share price of the company has fallen to a new low of 13.1 cents. This is lower than last year's rights issue price of 20 cents and this year's placement issue price of 20 cents. Why is the share price going lower and lower? Why do market participants not favour the company's prospects and outlook? Please elaborate.**

It is not our policy to comment on our share price. Like all listed companies, the Group's share price is a function of overall market conditions as well as demand and supply forces. As investment decisions are personal in nature, the Company is not in a position to speculate on the reasons behind the share price movements.

Regardless of the share price, the Group continues to focus on delivering on the business front. Despite the difficult conditions amidst the pandemic, the Group closed the Wafermine out-licensing transaction and delivered a set of solid results, finishing the year strongly with its first profit before tax of S\$1.07 million (excluding foreign exchange and fair value loss):

	FY2022	FY2021	Variance	
	S\$'000	S\$'000	S\$'000	%
Product and services	2,018	1,745	273	16%
Out-licensing	12,372	-	12,372	nm
Total revenue	14,390	1,745	12,645	725%
Profit/(Loss) before tax excluding foreign exchange and fair value loss	1,071	(10,028)	10,950	nm

5. **Please detail what Investor Relations and outreach efforts the company conducted over the past year. How many investors did the company speak with? How many investor webinars and seminars did the company hold? Does the company have a dedicated IR representative? Who is he or she? Is the company covered by any of the brokerage analysts? Please provide links of analyst reports of the company, if any?**

We are committed to keeping our shareholders updated on our financial and operating performance, as well as significant corporate developments. Apart from timely regulatory announcements, we engage research analysts and the investment community through one-on-one and small group meetings, as well as presentations during third-party organised investment events. We have retained an external IR agency to support our IR activities.

Our stock is currently covered by Phillip Securities. As the research reports are the property of the securities firm, interested parties are advised to reach out to the firm for access to its reports.

6. **I note that Mr Yee Chia Hsing joined the company in 2021 and left the company in 2022. During his tenure, Mr Yee served as the Director of Corporate Affairs and General Manager of Entity Health. Why did he leave after such a short time, of only around 1 year with the company?**

Would the company be finding a replacement for Mr Yee's position? Or would his former position be made permanently redundant? What is the current status of the search for his replacement, if any?

Kindly refer to our announcement dated 15 July 2022 for information on this subject matter.

BY ORDER OF THE BOARD

Eddy Lee
Chairman & CEO
7 October 2022

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 Catalyst.

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.

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