

NEWS RELEASE

IX BIOPHARMA STARTS OFF 1Q18 ON SOUND NOTE

- ✓ **Wafermine Phase 2 efficacy study in progress**
- ✓ **New range of nutraceutical products to be launched in December**
- ✓ **Robust balance sheet with S\$27.5 million in cash**

Singapore, 8 November 2017 – Specialty pharmaceutical company **iX Biopharma Ltd** (“iX Biopharma” or “the Group”) has reported results for its first financial quarter ended 30 September 2017 (“1Q18”) that reflects progress made in the development of its pharmaceutical products and preparations for the upcoming launch of its new range of next-generation nutraceutical products.

Year-on-year, the Group recorded a 14% increase in revenue to S\$1.7 million, from S\$1.5 million in 1Q17. With its pharmaceutical products under development and nutraceuticals business on track for launch in the next month, revenue was almost fully contributed by the Group’s chemical analysis business, which had benefitted from an increase in demand for laboratory testing services and the strengthening of the Australian dollar.

Research and development expenses, which amounted to S\$1.8 million in 1Q18 compared to S\$1.0 million in 1Q17, were mainly due to the progress of the multiple dose Phase 2 efficacy study for Wafermine, KET010. Specifically, the Group had commenced its multiple-dose Phase 2 efficacy study for Wafermine, the Group’s lead pain management product, in August 2017.

Sales & marketing expenses were S\$0.4 million in 1Q18, compared to S\$0.2 million a year ago, as the Group stepped up activities in preparation for the launch of its nutraceutical e-commerce website in December. The site will enable customers to be able to purchase 13 different products that help to improve the quality of life and address specific health conditions.

The Group reported higher general & administrative expenses to S\$1.7 million, from S\$1.0 million a year ago, principally from the net effect of share-based compensation. Excluding the effect of share-based compensation, general & administrative expenses in 1Q18 increased by S\$0.1 million, due to increases in other operating expenses.

Taking into consideration the above, the Group registered net loss of S\$3.2 million in 1Q18, compared to S\$0.8 million in 1Q17. Excluding non-cash exchange loss of S\$0.1 million (1Q17: gain of S\$0.7 million) and share-based compensation, the net loss would have been S\$2.9 million (1Q17: S\$1.8 million), principally on account of higher expenses incurred for its multiple-dose Phase 2 efficacy study for Wafermine and sales & marketing activities.

As at 30 September 2017, the Group's cash position remained robust at approximately S\$27.5 million, compared to S\$31.1 million as at June 2017, which took into account cash used in operating activities, mainly from the commencement of the Wafermine clinical study.

To conduct the multiple-dose Phase 2 efficacy study, KET010, for Wafermine, the Group will be enrolling over 135 patients experiencing acute pain following bunionectomy surgery at a single site in the United States. The study will determine the optimal dose(s) to be used in the subsequent pivotal Phase 3 registration studies.

The Group has filed for the registration of PheoniX, its novel sublingual drug for the treatment of male erectile dysfunction, with the Therapeutic Goods Administration of Australia.

iX Biopharma is also finalising its marketing campaign for a new line of nutraceutical supplements addressing specific health conditions, under its subsidiary Entity Health. These nutraceutical products are grounded in innovative scientific technology and formulated with premium-grade extracts to promote DNA and cellular repair, skin protection and whitening, joint and liver health and diabetes, among others. With its e-commerce site to be launched in December, the Group plans to ramp up marketing and manufacturing activities in this area in the ensuing months.

About iX Biopharma Ltd

iX Biopharma Ltd is a Singapore public-listed specialty pharmaceutical company, operating a fully integrated business model from drug development to laboratory testing, manufacturing and supply, with facilities in Australia. The Group is focused on the development and commercialisation of innovative therapies for improving the quality of life of those suffering from pain and other health conditions. The Company leverages its patented sublingual drug delivery technology, **WaferiX**, to develop proprietary products that incorporate pharmacologically active compounds that have been approved by regulatory bodies. It recently launched **WafeRest**, for improved sleep quality. The Company's pipeline of products under development includes **Wafermine** and **BnoX** for pain management and **PheoniX** for erectile dysfunction. The Group's nutraceuticals division, Entity Health Limited, is engaged in development and commercialisation of nutraceutical products that address specific health conditions and improve quality of life.

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