

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

PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS CUM WARRANTS ISSUE

1. INTRODUCTION

The Board of Directors (the "**Board**" or "**Directors**") of iX Biopharma Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**"), wishes to announce that the Company proposes to undertake a renounceable non-underwritten rights issue (the "**Rights cum Warrants Issue**") of up to 172,320,768 new ordinary shares in the capital of the Company (the "**Rights Shares**") at an issue price of S\$0.03 (the "**Issue Price**") for each Rights Share, with up to 86,160,384 free detachable and transferable warrants (the "**Warrants**"), with each Warrant carrying the right to subscribe for one (1) new ordinary share in the capital of the Company ("**New Share**") at the exercise price of S\$0.06 for each New Share (the "**Exercise Price**"), on the basis of 11 Rights Shares for every 50 existing ordinary shares in the capital of the Company (the "**Shares**") held by Entitled Shareholders (as defined below) as at a date and time to be determined by the Board (the "**Record Date**") for the purpose of determining the entitlements of the Entitled Shareholders under the Rights cum Warrants Issue, fractional entitlements to be disregarded, and one (1) Warrant for every two (2) Rights Shares subscribed.

2. PRINCIPAL TERMS OF THE RIGHTS CUM WARRANTS ISSUE

Principal terms	Description
Allotment ratio	11 Rights Shares for every 50 existing Shares held by Entitled Shareholders; and Warrants will be issued free with the Rights Shares on the basis of one (1) Warrant for every two (2) Rights Shares subscribed, and each Warrant carrying the right to subscribe for one (1) New Share in the capital of the Company, fractional entitlements to be disregarded.
Issue Price	Issue Price of S\$0.03 per Rights Share. Exercise Price of S\$0.06 per New Share.
Discount / Premium (specifying benchmarks and periods)	The Issue Price represents: (a) a discount of approximately 25% to the theoretical ex-rights price (" TERP ") ⁽¹⁾ of approximately S\$0.040 per Share based on the last traded price of S\$0.042 per Share for Shares traded on the Catalist Board of the Singapore Exchange Securities Trading Limited (the " SGX-ST ") on 5 June 2024, being the last Market Day immediately preceding the date of this announcement on which Shares were traded on the Catalist Board of the SGX-ST (the " Last Traded Price "); and (b) a discount of approximately 29% to the Last Traded Price of S\$0.042 per Share. The Exercise Price represents: (a) a premium of approximately 50% to the TERP; and (b) a premium of approximately 43% to the Last Traded Price of S\$0.042 per Share.

Principal terms	Description
Use of Proceeds	Please refer to Paragraph 6 of this Announcement for further information on the use of proceeds.
Purpose of Issue	<p>The Company is undertaking the Rights cum Warrants Issue to fund product development and sales and marketing activities for the Group's products including the development of iXB 401 sublingual semaglutide wafers and sublingual NAD+ wafers and for general working capital purposes.</p> <p>The Rights cum Warrants Issue will also provide shareholders of the Company ("Shareholders") with an opportunity to further participate in the equity of the Company at a reasonable discount and will allow the Group to be less reliant on external sources of funding, thereby potentially incurring lower external funding expenses.</p> <p>Please refer to Paragraphs 5 and 6 of this Announcement for further information.</p>

Note:

- (1) The TERP is the theoretical ex-rights price of each Share (before the exercise of the Warrants) assuming 172,320,768 Rights Shares are issued under the Maximum Subscription Scenario pursuant to the Rights cum Warrants Issue and does not include the Shares to be issued pursuant to the vesting of share awards under the iX Performance Share Plan and the New Shares to be issued from the exercise of the Warrants. The TERP is computed based on the formula:

$$\text{TERP} = \frac{\text{Market capitalisation of the Company based on the Last Traded Price}^{(a)} + \text{gross proceeds from the Rights cum Warrants Issue}^{(b)}}{\text{Number of Shares after completion of the Rights cum Warrants Issue}^{(c)}}$$

Whereby:

- (a) Market capitalisation of the Company based on the Last Traded Price is calculated based on 783,276,219 Shares (assuming full conversion of the Bonds (as defined below)) and Last Traded Price of S\$0.042
- (b) Gross proceeds from the Right cum Warrants Issue is calculated based on 172,320,768 Rights Shares under the Maximum Subscription Scenario and Issue Price of S\$0.03 per Rights Share
- (c) Number of Shares after completion of the Rights cum Warrants Issue is calculated based on 783,276,219 Shares (assuming full conversion of the Bonds (as defined below)) and 172,320,768 Rights Shares under the Maximum Subscription Scenario

2.2 Basis of Provisional Allotment

The Rights cum Warrants Issue is proposed to be made on a renounceable non-underwritten basis to all Shareholders who are eligible to participate in the Rights cum Warrants Issue (the "**Entitled Shareholders**"), on the basis of 11 Rights Shares for every 50 existing Shares held by the Entitled Shareholders as at the Record Date and one (1) Warrant for every two (2) Rights Shares subscribed for.

2.3 Size of the Rights cum Warrants Issue

Based on existing share capital of the Company comprising of 768,317,356 Shares ("**Existing Share Capital**"), assuming (i) issuance of 14,958,863 Shares arising from the full conversion of the Bonds (as defined below) at the Conversion Price (as defined below) prior to the Record Date, (ii) all Entitled Shareholders subscribe and pay for their pro rata entitlements of Rights Shares, and (iii) there will be no new Shares issued by the Company from the date of this announcement up to the Record Date, 172,320,768 Rights Shares with 86,160,384 Warrants will be issued pursuant to the Rights cum Warrants Issue ("**Maximum Subscription Scenario**"). Upon the allotment and issuance of the Rights Shares, the Company will have an enlarged issued and paid-up share capital comprising 955,596,987 Shares in the Maximum Subscription Scenario, of which the Rights Shares would represent approximately 18.03%.

Based on Existing Share Capital of the Company comprising of 768,317,356 Shares, assuming (i) the Bonds (as defined below) are not converted prior to the Record Date, (ii) only the Undertaking Shareholders (defined below) subscribe for the Rights Shares in accordance with the Irrevocable Undertakings (as defined below), and (iii) there will be no new Shares issued by the Company from the date of this announcement up to the Record Date, 72,940,334 Rights Shares with 36,470,166 Warrants will be issued pursuant to the Rights cum Warrants Issue ("**Minimum Subscription Scenario**"). Upon the allotment and issuance of the Rights Shares, the Company will have an enlarged issued and paid-up share capital comprising 841,257,690 Shares, of which the Rights shares would represent approximately 8.67%.

As at the date of this Announcement, the Company does not hold any treasury shares and does not have any subsidiary holdings.

2.4 Principal Terms of the Warrants

The Warrants will be issued free with the Rights Shares on the basis of one (1) Warrant for every two (2) Rights Shares successfully subscribed for.

The Warrants will be immediately detachable from the Rights Shares upon issue and will be issued in registered form and constituted in an instrument by way of a deed poll (the "**Deed Poll**") that sets out the terms and conditions of the Warrants and which may from time to time be amended or supplemented. The Warrants will be listed and traded on SGX-ST under the book-entry (scripless) settlement system, upon the listing of and quotation for the Warrants on the SGX-ST, subject to, inter alia, there being an adequate spread of holdings of the Warrants to provide for an orderly market in the Warrants. Each board lot of Warrants will consist of 100 Warrants or such other board lot size which the SGX-ST may require.

Each Warrant will, subject to the terms and conditions to be set out in the Deed Poll, carry the right to subscribe for one (1) New Share at the Exercise Price within the period commencing on and including the date of issue of the Warrants and expiring at 5.00 p.m. on the date immediately preceding the second (2nd) anniversary of the date of issue of the Warrants (the "**Exercise Period**").

If such date falls on a day on which the register of members of the Company is closed or is not a market day, the last day of the Exercise Period shall be the immediately preceding market day on which the register of members of the Company remains open, but excluding such period(s) during which the register of warrant holders of the Company may be closed, subject to the terms and conditions of the Warrants as set out in the Deed Poll.

The Warrants that remain unexercised at the expiry of the Exercise Period shall lapse and cease to be valid for any purpose. The Company shall, not later than one (1) month before the expiry of the Exercise Period give notice to the holders of the Warrants and announce the same on SGXNet. The Company shall not make any material amendment to the terms of the Warrants after the issue of Warrants to the advantage of the holders of Warrants, unless the amendments are made pursuant to the Deed Poll or with the prior approval of Shareholders at a general meeting.

The Exercise Price and the number of Warrants to be held by each holder of Warrants will be subject to adjustments under certain circumstances as provided for in the Deed Poll and appropriate announcements on the adjustments will be made by the Company.

2.5 Issue Price and Exercise Price

The Issue Price for each Rights Share is S\$0.03 and the Exercise Price for each New Share is S\$0.06. A comparison of the Issue Price and Exercise Price vis-à-vis the market price of the Shares is set out below:

		Price per Share ⁽³⁾	Right Share		Warrant	
			Issue Price per Rights Share		Exercise Price per New Share	
		\$	\$	Discount	\$	Premium
(a)	Last Traded Price ⁽¹⁾	0.042	0.030	(29)%	0.060	43%
(b)	TERP ⁽²⁾	0.040	0.030	(25)%	0.060	50%

Notes:

(1) The Last Traded Price on 5 June 2024, being the last trading day prior to the release of this Announcement.

(2) The TERP based on the Last Traded Price.

(3) Rounded to 3 decimal places.

In determining the Issue Price and Exercise Price as set out above, the Directors had taken into consideration, amongst others, prospects of the Group's businesses, intrinsic asset value, Last Traded Price of the Shares as at 5 June 2024, theoretical ex-rights price computed on the same and retention of long term shareholders.

2.6 Authority to issue the Rights Shares, Warrants and Warrant Shares

The Rights cum Warrants Issue is proposed to be made pursuant to and within the limits of the general share issue mandate ("**Share Issue Mandate**") of the Company approved by the Shareholders at the annual general meeting of the Company held on 13 October 2023 ("**2023 AGM**"), pursuant to Section 161 of the Companies Act 1967 and Rule 806(2) of the Catalist Rules.

The Share Issue Mandate, amongst others, authorises the Directors to allot and issue new Shares not exceeding 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the grant of the Share Issue Mandate ("**Relevant Share Capital**"), provided that the aggregate number of Shares to be issued other than on a pro-rata basis to existing Shareholders shall not exceed 50% of the Relevant Share Capital ("**General Limit**").

As the Relevant Share Capital comprised 766,299,934 Shares, the Company may issue up to 766,299,934 new Shares under the Share Issue Mandate on a pro-rata basis, under the General Limit.

As the maximum number of Rights Shares to be issued is 172,320,768 and the maximum number of Warrants to be issued (and New Shares to be issued upon exercise of the Warrants) is 86,160,384, given that no Shares have been issued pursuant to the Share Issue Mandate since the 2023 AGM, the Company will not be seeking specific approval from the Shareholders for the Rights cum Warrants Issue as the basis of the Rights cum Warrants Issue falls within the limit of the Share Issue Mandate.

The terms and conditions of the Rights cum Warrants Issue are subject to such changes as the Board may, in its absolute discretion, deem fit. The final terms and conditions of the Rights cum Warrants Issue will be contained in an offer information statement (the "**Offer Information Statement**") which will be lodged with the SGX-ST, acting as agent on behalf of the Monetary Authority of Singapore ("**Authority**") and despatched to the Entitled Shareholders in due course.

2.7 Ranking of the Rights Shares and the New Shares

The Rights Shares will be payable in full on acceptance and/or application and shall, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares for any dividends, rights, allotments or other distributions, the record date for which falls on or after the date of issue of the Rights Shares. The New Shares arising from the exercise of the Warrants will be payable in full upon the exercise of the Warrants and shall, upon allotment and issue, rank *pari passu* in all respects with the then existing Shares for any dividends, rights, allotments or other distributions, the record date for which falls on or after the allotment and issue of the New Shares.

For this purpose, "record date" means, in relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time as may be notified by the Company) on which Shareholders must be registered with the Company, the Company's share registrar, Tricor Barbinder Share Registration Services ("**Share Registrar**"), or The Central Depository (Pte) Limited ("**CDP**"), as the case may be, in order to participate in such dividends, rights, allotments or other distributions.

2.8 Option to scale down

Depending on the level of subscription for the Rights Shares with Warrants, the Company will, if necessary and upon approval of the SGX-ST, scale down a Shareholder's application to subscribe for the Rights cum Warrants Issue to:

- (a) ensure that the relevant Shareholder does not hold a controlling interest in the Company, which is prohibited under Rule 803 of the SGX-ST Listing Manual, unless prior approval of the Shareholders is obtained in a general meeting; or
- (b) avoid placing the relevant Shareholder and parties acting in concert with it (as defined in The Singapore Code of Take-overs and Mergers (the "**Take-over Code**")) in the position of incurring a mandatory bid obligation under the Take-over Code as a result of other Shareholders not taking up their Rights Shares with Warrants entitlements fully.

2.9 Non-Underwritten Rights cum Warrants Issue

The Rights cum Warrants Issue will not be underwritten. The Company has decided to undertake the Rights cum Warrants Issue on a non-underwritten basis in view of undertakings provided by the Undertaking Shareholders (as defined below) and the savings in cost enjoyed by the Company in respect of underwriting fees.

3. CONDITIONS FOR THE RIGHTS CUM WARRANTS ISSUE

The Rights cum Warrants Issue is subject to, amongst others, the following:

- (a) the receipt of the listing and quotation notice from the SGX-ST (and such notice not having been withdrawn or revoked on or prior to the completion of the Rights cum Warrants Issue) for the dealing in, listing of, and quotation for, the Rights Shares, the Warrants, New Shares and new Shares arising from the adjustment of the Conversion Price of the Bonds assuming the Bonds are not converted and the conversion price is adjusted as a result of the Rights cum Warrants Issue on the Catalist and, if such approval is granted subject to conditions, such conditions being acceptable to the Company
- (b) the lodgement of the Offer Information Statement together with all other accompanying documents (if applicable) with the SGX-ST, acting as agent on behalf of the MAS; and
- (c) all other necessary approvals, consents and/or waivers required from any person, financial institution or regulatory body or authority of Singapore or elsewhere under any and all agreements applicable to the Company and/or applicable laws for the Rights cum Warrants Issue and to give effect to the Rights cum Warrants Issue, being obtained and

not having been withdrawn or revoked before the completion of the Rights cum Warrants Issue.

The Company will be making an application to the SGX-ST, through UOB Kay Hian Private Limited ("**Sponsor**"), for the listing of, and quotation for, the Rights Shares, Warrants, New Shares and new Shares arising from the adjustment of the Conversion Price of the Bonds assuming the Bonds are not converted and the conversion price is adjusted as a result of the Rights cum Warrants Issue on the Catalist. An appropriate announcement will be made in due course when the Company receives the listing and quotation notice from the SGX-ST.

The Record Date will be fixed in due course after obtaining the listing and quotation notice from the SGX-ST, for which an announcement on the Record Date will be separately made by the Company.

Thereafter, the Offer Information Statement will be lodged with SGX-ST, acting as agent on behalf of the MAS, and despatched or, as the case may be, disseminated by the Company to Entitled Shareholders in due course.

4. **UNDERTAKING TO SUBSCRIBE FOR RIGHTS CUM WARRANTS ISSUE**

As at the date of this Announcement:

- (a) Mr. Eddy Lee Yip Hang has a direct interest in 177,869,551 Shares and an indirect interest in 18,683,250 Shares, representing approximately 25.58% of the Existing Share Capital;
- (b) Anson Properties Pte. Ltd. has a direct interest in 66,748,029 Shares, representing approximately 8.69% of the Existing Share Capital;
- (c) Mr. Jaspal Singh Narulla has a direct interest in 16,989,383 Shares and an indirect interest in 17,526,600 Shares, representing approximately 4.49% of the Existing Share Capital;
- (d) C2C Biopharma Holdings Pte. Ltd. has a direct interest in 13,710,000 Shares, representing approximately 1.78% of the Existing Share Capital;
- (e) Mr. Albert Ho Shing Tung has a direct interest in 9,127,605 Shares and an indirect interest in 139,100 Shares, representing approximately 1.21% of the Existing Share Capital;
- (f) Mr. Janakan Krishnarajah has a direct interest in 4,993,672 Shares, representing approximately 0.65% of the Existing Share Capital;
- (g) Ms. Tan Yi Hua, Eva has a direct interest in 3,169,129 Shares, representing approximately 0.41% of the Existing Share Capital; and
- (h) Mr. Chew Sien Lup has a direct interest in 2,590,666 Shares, representing approximately 0.34% of the Existing Share Capital;

(together, the "**Undertaking Shareholders**").

To demonstrate their support for the Rights cum Warrants Issue and their commitment to, and confidence in, the Group, each of the Undertaking Shareholders has executed a letter of irrevocable undertaking (the "**Irrevocable Undertakings**") in favour of the Company, pursuant to which each of them irrevocably undertakes to subscribe and pay in full (or procure subscription of and payment for) its, her or his respective entire pro-rata entitlements of Rights Shares or such other number of Rights Shares which are provisionally allotted to it, she or him pursuant to the Rights cum Warrants Issue due to any changes after the date of the Irrevocable Undertakings (the "**Undertaking Rights Shares**"), at the Issue Price and in accordance with the terms of the Rights cum Warrants Issue, no later than the last time and date for acceptance

and payment for the Rights Shares under the Rights cum Warrants Issue, subject always that the number of Undertaking Rights Shares shall not exceed such number that will result in it, she or him being in a position of incurring a mandatory general offer obligation under the Singapore Code on Takeovers and Mergers, as follows:

Undertaking Shareholder	Undertaking Rights Shares as at the date of the Irrevocable Undertakings
Eddy Lee Yip Hang	43,241,616
Anson Properties Pte. Ltd.	14,684,566
Jaspal Singh Narulla	7,593,516
C2C Biopharma Holdings Pte. Ltd.	3,016,200
Albert Ho Shing Tung	2,038,675
Janakan Krishnarajah	1,098,607
Tan Yi Hua, Eva	697,208
Chew Sien Lup	569,946
Total	72,940,334

In addition, each of the Undertaking Shareholders also unconditionally and irrevocably undertakes, inter alia:

- (a) that it, she or he will ensure that it, she or he remains the beneficial owner of the Shares in which it, she or he has a direct or indirect interest in as at the date of the Irrevocable Undertaking, during the period between the date of the Irrevocable Undertaking and the Record Date, and will not sell, transfer or otherwise dispose of, any of the same or of any interest therein during such period;
- (b) that it, she or he has sufficient financial resources available to subscribe for and pay in full all the Undertaking Rights Shares or such other number of Rights Shares which are provisionally allotted to the Undertaking Shareholder pursuant to the Rights cum Warrants Issue; and
- (c) that it or he or she will do all such acts and things and execute all such documents as may be required to give effect to the undertakings in the Irrevocable Undertaking.

Depending on the level of subscription for the Rights Shares, the Company will, if necessary, scale down the subscription for the Rights Shares and/or excess applications for the excess Rights Shares by any Shareholder (if such Shareholder chooses to subscribe for its pro-rata Rights Shares entitlement and/or apply for excess Rights Shares) to avoid placing the relevant Shareholder and parties acting in concert with it or him in the position of incurring a mandatory general offer obligation under the Code as a result of other Shareholders not taking up their Rights Shares entitlement fully; or to avoid the transfer of a controlling interest in the Company, which is prohibited under Rule 803 of the Catalist Rules, unless prior approval of Shareholders is obtained in a general meeting.

Accordingly, the Undertaking Shareholders collectively will subscribe and pay in full and/or procure the subscription and payment in full for an aggregate of 72,940,334 Undertaking Rights Shares, which constitutes approximately 42.33% of the total number of Rights Shares under the Maximum Subscription Scenario and 100% of the total number of Rights Shares under the Minimum Subscription Scenario.

Upon the allotment and issuance of the Rights Shares, the Company will have an enlarged issued and paid-up share capital comprising 955,596,987 Shares in the Maximum Subscription Scenario, of which the Rights Shares would represent approximately 18.03%. Under the Minimum Subscription Scenario, upon the allotment and issuance of the Rights Shares, the

Company will have an enlarged issued and paid-up share capital comprising 841,257,690 Shares, of which the Rights shares would represent approximately 8.67%.

As such, the Undertaking Shareholders will hold the following interests in the Shares of the Company:

Undertaking Shareholder	Total number of Shares		% of the total number of issued Shares after the issuance of the Rights Shares		% of the total number of issued Shares after the issuance of the Rights Shares and the exercise of Warrants	
	After the issuance of the Rights Shares	After the issuance of the Rights Shares and the exercise of Warrants	Maximum Subscription Scenario ⁽¹⁾	Minimum Subscription Scenario ⁽²⁾	Maximum Subscription Scenario ⁽³⁾	Minimum Subscription Scenario ⁽⁴⁾
Eddy Lee Yip Hang	239,794,417	261,415,225	25.09%	28.50%	25.09%	29.78%
Anson Properties Pte. Ltd.	81,432,595	88,774,878	8.52%	9.68%	8.52%	10.11%
Jaspal Singh Narulla	42,109,499	45,906,257	4.41%	5.01%	4.41%	5.23%
C2C Biopharma Holdings Pte. Ltd.	16,726,200	18,234,300	1.75%	1.99%	1.75%	2.08%
Albert Ho Shing Tung	11,305,380	12,324,717	1.18%	1.34%	1.18%	1.40%
Janakan Krishnarajah	6,092,279	6,641,582	0.64%	0.72%	0.64%	0.76%
Tan Yi Hua, Eva	3,866,337	4,214,941	0.40%	0.46%	0.40%	0.48%
Chew Sien Lup	3,160,612	3,445,585	0.33%	0.38%	0.33%	0.39%

Notes:

- (1) The total number of issued Shares used to calculate the percentage shareholding of each Undertaking Shareholder is 955,596,987 under the Maximum Subscription Scenario.
- (2) The total number of issued Shares used to calculate the percentage shareholding of each Undertaking Shareholder is 841,257,690 under the Minimum Subscription Scenario.
- (3) The total number of issued Shares used to calculate the percentage shareholding of each Undertaking Shareholder is 1,041,757,371 under the Maximum Subscription Scenario.
- (4) The total number of issued Shares used to calculate the percentage shareholding of each Undertaking Shareholder is 877,727,856 under the Minimum Subscription Scenario.

The Irrevocable Undertakings by each of the Undertaking Shareholders as set out above are subject to and conditional upon the following:

- (a) receipt of the approval in-principle granted by the SGX-ST for the listing of, and quotation for, the Rights Shares on the Catalist of the SGX-ST; and
- (b) lodgement of the Offer Information Statement together with all other accompanying documents by the Company with the SGX-ST, acting as agent on behalf of the MAS.

No commission or fee will be payable by the Company to the Undertaking Shareholders in consideration of the Irrevocable Undertakings.

5. RATIONALE FOR THE RIGHTS CUM WARRANTS ISSUE

The Company is undertaking the Rights cum Warrants Issue to raise funds to (a) advance the development of iXB 401 sublingual semaglutide wafers as a treatment for Type 2 diabetes and obesity; (b) fund the sales and marketing activities of its innovative supplements including NAD+ sublingual wafers; and (c) support ongoing operational expenses, maintaining and expanding the Company's capabilities, and ensuring financial stability to focus on long-term strategic goals and product development milestones.

The Company believes that the Rights cum Warrants Issue will strengthen the Company's balance sheet, and a stronger financial position will also allow the Group to seize opportunities through the expansion of its existing business in a timely manner and as and when the opportunities arise.

The Rights cum Warrants Issue will also provide Shareholders with an opportunity to further participate in the equity of the Company at a reasonable discount and will allow the Group to be less reliant on external sources of funding, thereby potentially incurring lower external funding expenses. As and when the Warrants are exercised, the Group's financial position will be improved further.

The Directors are of the opinion after taking into consideration (i) the rationale for the Rights cum Warrants Issue as set out in this paragraph 5 of this announcement, and (ii) the factors taken into consideration in arriving at the Issue Price and Exercise Price as set out in paragraph 2.5 of this announcement, that the Rights cum Warrants Issue is in the interest of the Company.

iXB 401 development – Semaglutide sublingual wafer

iXB 401 is a sublingual wafer formulation of semaglutide, a GLP-1 receptor agonist found in Ozempic and Rybelsus, which are used to treat Type 2 diabetes and obesity. The global demand for GLP-1 drugs has surged, with analysts projecting peak sales exceeding \$100 billion. Injectable forms like Ozempic currently face supply shortages due to manufacturing and supply requirements.

While Rybelsus offers an oral alternative to injections, it has various limitations, including low bioavailability (around 1%) and high absorption variability, which complicates patient compliance and affects the drug's efficacy. iXB 401 addresses these issues by potentially offering a higher bioavailability and lower variability than Rybelsus. Its sublingual absorption route mitigates the impact of food and water intake, leading to simpler dosing administration and potentially fewer side effects while maintaining efficacy.

The GLP-1 market has seen significant activity, with major pharmaceutical companies engaging in substantial acquisitions and licensing deals, such as Eli Lilly's \$1.93 billion acquisition of Versanis Bio, AstraZeneca's licensing deal with Eccogene China for up to \$2 billion, and Roche's \$2.7 billion acquisition of Carmot Therapeutics.

iXB 401 is poised to capitalise on this interest, with the potential for out-licensing post-pharmacokinetic (PK) study, generating revenue through upfront fees, milestone payments, and sales royalties, while the partner funds further studies up to registration.

A key part of the Company's development plan is the commencement of a rat pharmacokinetic and pharmacodynamic (PK/PD) study. This study will investigate the efficacy and bioavailability of iXB 401, providing the data to move forward with human trials and out-licensing opportunities.

SL-NAD+ – pure NAD+ sublingual wafers

The Company has developed an innovative sublingual pure NAD+ wafer called SL-NAD+. The product provides pure NAD+ directly to the cells, supporting vital processes like energy production, DNA repair, activating lifespan-extending sirtuins, regulating circadian rhythm, and rejuvenating stem cells. The product helps to arrest a decline in NAD+ (nicotinamide adenine dinucleotide) levels with age which contributes to cellular dysfunction and a heightened risk of chronic diseases.

The Company has received excellent feedback from the market since the pilot launch of the product. Users have found sublingual dosing to be acceptable, noting that the product is easy to use. The pleasant taste enhances user experience, and benefits reported include increased energy, improved sleep quality, increased alertness. This positive feedback validates the market potential of SL-NAD+. The Company intends to accelerate market penetration by expanding its sales channels and developing marketing initiatives targeting healthcare providers.

Current strategies for NAD+ supplementation, such as oral administration of precursor molecules such as NMN and NR, are limited by degradation in the gastrointestinal tract (GI) and inconsistencies in conversion to NAD+ due to enzyme activity decreasing with age.

SL-NAD+ uses the Company's proprietary NADiX technology to stabilise and deliver pure NAD+ directly as nanoparticles, bypassing the GI tract. This method ensures rapid absorption and significantly increases intracellular NAD+ levels. SL-NAD+ offers a non-invasive, convenient, safe, and effective daily dosing option, superior to invasive IV NAD+ infusions. Given the limitations and regulatory challenges of current NAD+ delivery methods, SL-NAD+ is well-positioned to capture a significant market share.

To drive adoption among healthcare professionals, the funds raised will be directed towards preclinical studies to validate the efficacy of SL-NAD+, which are critical as they will provide the data healthcare providers seek to make informed recommendations to their patients. The Company will develop comprehensive marketing tools and expand its sales team, targeting healthcare clinics in Singapore and USA. The Company will also capitalise on distribution opportunities into China through established e-commerce platforms.

6. USE OF PROCEEDS

The Company intends to utilise the net proceeds from the Rights cum Warrants Issue ("**Net Proceeds**") which is derived after deducting the estimated professional fees and related expenses of approximately S\$200,000, for the following purposes, details of the breakdown are set out below:

- (a) approximately 55.3% in the Maximum Subscription Scenario and 50.3% in the Minimum Subscription Scenario to fund product development, manufacturing, sales and marketing activities for the Group's products including the development of iXB 401 sublingual semaglutide wafers and sublingual NAD+ wafers; and
- (b) approximately 44.7% in the Maximum Subscription Scenario and 49.7% in the Minimum Subscription Scenario for general working capital.

The general working purposes includes but is not limited to operating expenses. The issue is not made as full or partial payment for the acquisition of an interest in, or the business and assets of another company or of any assets or properties.

The Net Proceeds from the Rights cum Warrants Issue is expected to be approximately S\$4,969,623 in the Maximum Subscription Scenario and approximately S\$1,988,210 in the Minimum Subscription Scenario.

The Company intends to use the Net Proceeds in the following manner assuming the Maximum Subscription Scenario and Minimum Subscription Scenario:

Use of Net Proceeds	Maximum Subscription Scenario		Minimum Subscription Scenario	
	Allocation of Net Proceeds (S\$'million)	Approximate Allocation of Net Proceeds (%)	Allocation of Net Proceeds (S\$'million)	Approximate Allocation of Net Proceeds (%)
Product development, manufacturing, sales and marketing activities for the Group's products including the development of iXB 401 sublingual semaglutide wafers and sublingual NAD+ wafers	2.75	55.3	1.00	50.3
General working capital	2.22	44.7	0.99	49.7
Total	4.97	100.0	1.99	100.0

Assuming that all the 86,160,384 Warrants under the Maximum Subscription Scenario and all the 36,470,166 Warrants under the Minimum Subscription Scenario are exercised, the Company will raise gross proceeds of approximately S\$5,169,623 and S\$2,188,210 respectively ("**Warrants Proceeds**"). The Company intends to utilise the Warrants Proceeds for its general corporate and working capital requirements and/or such other purposes as the Directors may in their absolute discretion deem fit.

Pending the deployment of the Net Proceeds and the Warrants Proceeds (as and when the Warrants are exercised), such proceeds may be deposited with banks and/or financial institutions, invested in short-term money markets and/or marketable securities and/or used for any other purpose on a short-term basis as the Directors may, in their absolute discretion, deem fit in the interests of the Company.

The Company will make periodic announcements on the utilisation of the Net Proceeds and Warrants Proceeds as and when such proceeds are materially disbursed, and whether such use is in accordance with the stated use and in accordance with the percentage allocated. The Company will also provide a status report on the use of the Net Proceeds and Warrants Proceeds in the Company's interim and full year financial results announcement(s) and in the Company's annual report(s), until such time the Net Proceeds and Warrants Proceeds have been fully utilised. Where there is any material deviation from the stated use of the Net Proceeds and Warrants Proceeds, the Company will announce the reasons for such deviation.

Based on the reasonable opinion of the Directors as at the date of this announcement, there is no minimum amount which must be raised from the Rights cum Warrants Issue. In the event that the Company is unable to raise sufficient funds to fund its product development and/or for general working capital, the Company will source for alternative sources of funding.

7. PREVIOUS FUND RAISING IN THE LAST 12 MONTHS

The Company had on 24 July 2023 completed an issue of convertible bonds ("**Bonds**") for an aggregate principal amount of S\$2.0 million with a coupon rate of 9% per annum to an independent party. The Bonds may be converted into new Shares during the conversion period at S\$0.1337 per share ("**Conversion Price**"), subject to adjustments as set out in the subscription agreement. In the event of the Rights cum Warrants Issue, the Conversion Price will be adjusted based on the adjustment formula in the subscription agreement. The Company will announce details of the adjustment to the Conversion Price via an announcement on the SGX-ST in due course. The net proceeds from the issue of such convertible bonds were approximately S\$1.9 million. As at 31 May 2024, all of the net proceeds have been used in accordance with the intended use as stated in the Company's announcement dated 3 July 2023 as follows:

	Amount allocated	Amount utilised	Balance
	S\$	S\$	S\$
Support the Group's marketing activities and facilitate the expansion of markets	1,250,000	1,250,000	-
General corporate and working capital purposes	631,000	631,000	-
Total	1,881,000	1,881,000	-
Details of working capital used:	S\$		
<i>Payroll and directors' fees</i>	<i>252,000</i>		
<i>Trademark and patent related professional fees</i>	<i>223,000</i>		
<i>Rentals</i>	<i>156,000</i>		
	631,000		

8. WORKING CAPITAL

The Directors are of the reasonable opinion that (a) after taking into consideration the Group's internal resources, operating cash flows, and present banking facilities, the working capital available to the Group is sufficient to meet its present requirements, and (b) after taking into consideration the Group's internal resources, operating cash flows, present banking facilities, the Net Proceeds and Warrants Proceeds, the working capital available to the Group is sufficient to meet its present requirements. Notwithstanding the present sufficiency of working capital, the Directors are of the opinion that the Rights cum Warrants Issue shall be undertaken for the reasons set out in Paragraph 5 of this Announcement.

9. NOTIFICATION UNDER SECTION 309B OF THE SECURITIES AND FUTURES ACT, CHAPTER 289 OF SINGAPORE

The provisional allotments of Rights Shares, New Shares and Warrants are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

10. ELIGIBILITY TO PARTICIPATE IN THE RIGHTS CUM WARRANTS ISSUE

10.1 Eligibility to Participate

The Company proposes to provisionally allot the Rights Shares with Warrants to the Entitled Shareholders, comprising Entitled Depositors and Entitled Scripholders (each as defined below), on the basis of their shareholdings as at the Record Date. Entitled Shareholders will be entitled to participate in the Rights cum Warrants Issue and receive the Offer Information Statement (through electronic dissemination) together with the appropriate application forms and accompanying documents at their respective Singapore addresses as maintained with the records of the CDP or the Share Registrar, as the case may be.

10.2 Entitled Depositors

Entitled Depositors are Shareholders with Shares standing to the credit of their securities accounts (the "**Securities Account**") with CDP and whose registered addresses with CDP are in Singapore as at the Record Date or who have provided CDP with addresses in Singapore for the service of notices and documents not later than 5.00 p.m. (Singapore time) on the date falling three (3) Market Days prior to the Record Date (the "**Entitled Depositors**").

Entitled Depositors will be provisionally allotted the Rights Shares with Warrants on the basis of the number of Shares standing to the credit of their Securities Accounts as at 5.00 p.m. (Singapore time) on the Record Date.

10.3 Entitled Scripholders

Entitled Scripholders are Shareholders whose (i) share certificates are not deposited with CDP, (ii) Shares are registered in their own names, and (iii) registered addresses with the Share Registrar are in Singapore as at the Record Date or who have provided the Share Registrar with addresses in Singapore for the service of notices and documents not later than 5.00 p.m. (Singapore time) on the date falling three (3) Market Days prior to the Record Date, and who have tendered to the Share Registrar valid transfers of their Shares and the certificates relating thereto for registration up to the Record Date (the "**Entitled Scripholders**").

Entitled Scripholders will have to submit duly completed and stamped transfers in respect of Shares not registered in the name of CDP, together with all relevant documents of title, so as to be received up to 5.00 p.m. (Singapore time) on the Record Date by the Share Registrar, in order to be registered to determine provisional allotments of Rights Shares with Warrants.

10.4 Foreign Shareholders

The distribution of the Offer Information Statement and its accompanying documents may be prohibited or restricted (either absolutely or subject to various securities laws requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. For practical reasons and in order to avoid any violation of the securities legislation applicable in jurisdictions other than Singapore, the Offer Information Statement and its accompanying documents will NOT be despatched to Shareholders with registered addresses outside Singapore and who have not, at least three (3) Market Days prior to the Record Date, provided CDP or the Share Registrar, as the case may be, with addresses in Singapore for the service of notices and documents (the "**Foreign Shareholders**") and accordingly, the Rights Shares with Warrants will NOT be offered to Foreign Shareholders.

The Offer Information Statement and its accompanying documents will not be despatched, lodged, registered or filed in any jurisdiction other than Singapore. Accordingly, Foreign Shareholders will not be entitled to participate in the Rights cum Warrants Issue. As Foreign Shareholders will not be entitled to participate in the Rights cum Warrants Issue, no provisional allotment of Rights Shares with Warrants will be made to Foreign Shareholders and no purported acceptance thereof or application for any excess Rights Shares with Warrants therefor by any Foreign Shareholder will be valid.

The Offer Information Statement and its accompanying documents will also NOT be despatched to persons purchasing entitlements to Rights Shares with Warrants through the book-entry (scripless) settlement system if their registered addresses with CDP are outside Singapore (the "**Foreign Purchasers**"). Foreign Purchasers may not accept any "nil-paid" rights credited to their Securities Account unless the Company and its counsel are satisfied that such action would not result in the contravention of any registration or other legal requirement in any jurisdiction.

Entitlements to Rights Shares with Warrants which would otherwise have been provisionally allotted to Foreign Shareholders will, if practicable to do so and at the absolute discretion of the Company, be sold "nil-paid" on the SGX-ST, as soon as practicable, after dealings in the provisional allotments of Rights Shares with Warrants commence. Such sales may, however, only be effected if the Company, in its absolute discretion, determines that a premium can be obtained from such sales, after taking into account expenses to be incurred in relation thereto. The net proceeds from all such sales, after deduction of all expenses therefrom, will be pooled and thereafter distributed to Foreign Shareholders in proportion to their respective shareholdings or, as the case may be, the number of Shares entered against their names in the depository register maintained by CDP as at the Record Date and sent to them at their own risk by ordinary post. If the amount of net proceeds to be distributed to any single Foreign Shareholder is less than S\$10.00, such amount shall be dealt with as the Board may, in its absolute discretion, deem fit in the interests of the Company and no Foreign Shareholder shall have any claim whatsoever against the Company and/or CDP in connection therewith.

Where the provisional allotments of Rights Shares with Warrants are sold "nil-paid" on the SGX-ST, they will be sold at such price or prices as the Company may, in its absolute discretion, decide and no Foreign Shareholder shall have any claim whatsoever against the Company, CDP, the Share Registrar and/or their respective officers in connection therewith. If such provisional allotments of Rights Shares with Warrants cannot be sold or are not sold on the SGX-ST as aforesaid for any reason by such time as the SGX-ST shall have declared to be the last day for trading in the provisional allotments of Rights Shares with Warrants, the new Shares represented by such provisional allotments will be allotted and issued to satisfy applications for excess Rights Shares with Warrants or disposed of or dealt with in such manner as the Board may, in its absolute discretion, deem fit in the interests of the Company and no Foreign Shareholder shall have any claim whatsoever against the Company, CDP, the Share Registrar and/or their respective officers in connection therewith.

SHAREHOLDERS WITH REGISTERED ADDRESSES OUTSIDE SINGAPORE WHO WISH TO PARTICIPATE IN THE RIGHTS CUM WARRANTS ISSUE MAY PROVIDE AN ADDRESS

IN SINGAPORE FOR THE SERVICE OF NOTICES AND DOCUMENTS BY NOTIFYING IN WRITING, AS THE CASE MAY BE, (I) THE CDP AT 4 SHENTON WAY, #02-01, SGX CENTRE 2, SINGAPORE 068807 OR (II) TRICOR BARBINDER SHARE REGISTRATION SERVICES AT 9 RAFFLES PLACE, #26-01, REPUBLIC PLAZA TOWER 1, SINGAPORE 048619, IN EACH CASE, AT LEAST THREE (3) MARKET DAYS PRIOR TO THE RECORD DATE.

10.5 Provisional Allotments and Excess Applications

Entitled Shareholders will be at liberty to accept in full or in part, decline or otherwise renounce or, in the case of Entitled Depositors only, trade (during the "nil-paid" rights trading period prescribed by the SGX-ST) their provisional allotments of the Rights Shares with Warrants and will also be eligible to apply for Rights Shares with Warrants in excess of their provisional allotments under the Rights cum Warrants Issue.

Entitlements which are not allotted or taken up for any reason will be aggregated and issued to satisfy applications, if any, for excess Rights Shares with Warrants or otherwise disposed of or dealt with in such manner as the Board may, in its absolute discretion, deem fit in the interests of the Company.

In the allotment of excess Rights Shares with Warrants, preference will be given to Entitled Shareholders for rounding of odd lots, and the Directors and substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Group or the terms of the Rights cum Warrants Issue, or have representation (direct or through a nominee) on the Board will rank last in priority for the rounding of odd lots and allotment of excess Rights Shares with Warrants.

The procedures for, and the terms and conditions applicable to, acceptances, renunciation and/or sales of the provisional allotments of the Rights Shares with Warrants and for the applications for excess Rights Shares with Warrants, including each different mode of acceptance or application and payment, will be contained in the Offer Information Statement and the relevant application forms.

11. THE OFFER INFORMATION STATEMENT

The Offer Information Statement, the application form for the Rights Shares with Warrants and excess Rights Shares with Warrants or the provisional allotment letter, will be despatched or disseminated electronically by the Company, as the case may be, to the Entitled Shareholders following this Announcement in due course.

12. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

As of the date of this Announcement, save for their interests arising by way of their shareholdings in the Company and/or directorships in the Group and the Irrevocable Undertakings, as the case may be, none of the Directors and substantial Shareholders has any interest, direct or indirect, in the Rights cum Warrants Issue.

13. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Announcement constitutes full and true disclosure of all material facts about the Rights cum Warrants Issue, the Company and its subsidiaries in relation to the Rights cum Warrants Issue, and the Directors are not aware of any facts the omission of which would make any statement in this Announcement misleading. Where information in this Announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Announcement in its proper form and context.

14. CAUTIONARY STATEMENT

Shareholders and potential investors are advised to exercise caution when dealing or trading in the Shares as there is no certainty or assurance that the Rights cum Warrants Issue will be completed or that no changes will be made to the terms thereof. Shareholders and potential investors are also advised to read this Announcement and any further announcements by the Company carefully, and where in doubt as to the action that they should take, they should consult their financial, tax or other professional adviser immediately.

15. FURTHER ANNOUNCEMENTS

The Company will make further announcements relating to the Rights cum Warrants Issue as may be necessary or appropriate from time to time.

IX BIOPHARMA LTD. BY ORDER OF THE BOARD

Eddy Lee Yip Hang
Chairman & CEO
6 June 2024

This announcement has been reviewed by the Company's Sponsor.

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 correctness of any of the 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