

iX BIOPHARMA REPORTS POSITIVE EBITDA FOR FY2015 AUSTRALIAN OPERATIONS

- ✓ **Successful acquisition with more than 15% year-on-year pro forma revenue growth**
- ✓ **Clinical trials remain on track and within budget**

Singapore, 26 August 2015 – Specialty pharmaceutical company **iX Biopharma Ltd.** (“iX Biopharma” or, together with its subsidiaries, “the Group”) has recorded revenue of S\$7.4 million for the full year ended 30 June 2015 (“FY2015”), following the successful acquisition of its Australian operations in May 2014. This represents a year-on-year growth of more than 15% over pro forma revenue for the preceding financial year (“FY2014”).

FY2015 Financial Highlights (unaudited)

(S\$ million)	Australian Operations			Corporate	Group
	Chemical Analysis (Laboratory Testing)	Specialty Pharmaceutical (Manufacturing)	Sub-Total		
Revenue	7.3	0.1	7.4	0	7.4
Expenses					
- R&D	0	0	0	3.7	3.7
- Other operating expenses	4.8	1.3	6.1	3.3	9.4
- Foreign exchange loss	0	0	0	1.1	1.1
- Non-recurring share expense	0	0	0	1.8	1.8
Adjusted EBITDA	2.5	(1.2)	1.3	(9.9)	(8.6)
Adjusting EBITDA excluding R&D and non-recurring share expense				(4.4)	(3.1)

As the above table shows, the Australian acquisition generated a positive EBITDA of S\$1.3 million for FY2015. More importantly, the laboratory testing business also generated a free cash flow of S\$2.5 million, which was sufficient to support iX product development programmes.

Group Adjusted EBITDA, which was a negative S\$8.6 million, included S\$5.5 million of expenses comprising a non-recurring share expense of S\$1.8 million, as well as R&D expense of S\$3.7 million. The R&D expense, which was 272% higher than that of FY2014, remains within budget. This increase reflects the acceleration in the clinical trials of the Group's products under development, namely, Wafermine™ and PheoniX™.

Other operating expenses, excluding research and development, forex loss and one-off expenses, continued to be well-managed.

At the close of the financial year, the Group had approximately S\$8.9 million in cash and cash equivalents.

The Group is currently progressing on schedule with regard to preparations for the next stage of clinical trials for its products and is looking forward to receiving the Phase 2b results of its clinical trial for Wafermine™ in the coming weeks.

About iX Biopharma Ltd

iX Biopharma Ltd is a specialty pharmaceutical company, with initial focus on the development and commercialisation of innovative therapies for pain management and men's health. The Company leverages its patented sublingual drug delivery technology, WaferiX™, to develop proprietary products that incorporate pharmacologically active compounds that have been approved by the United States Food and Drug Administration. It currently has three products under development – **Wafermine™**, **Wafernyl™** and **PheoniX™**.

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