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 15 OCTOBER 2021

The Board of Directors of iX Biopharma Ltd. (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the Company's Letter to Shareholders and Notice of Annual General Meeting dated 29 September 2021.

The Company wishes to address key questions received from the Shareholders ahead of the upcoming annual general meeting to be held on 15 October 2021 (the "**AGM**"). The questions submitted to the Company by shareholders and the Company's responses to those questions are set out below.

Question 1 **Congratulations on your recent news of the New Zealand market, are you also looking at the US cannabis market?**

Company's Response: Thank you, we are equally excited to enter the New Zealand market and are working with our partners to obtain regulatory approval for the supply into New Zealand.

We are just as excited about the potential of the US market and have commenced market intelligence. The 2018 Farm Bill, which resulted in the removal of hemp from the list of controlled substances, has led to increased demand for hemp-derived CBD (cannabidiol) products in the US. We can potentially supply into the US market under the 2018 Farm Bill as our Xativa sublingual CBD wafer product contains hemp-derived CBD.

The US medicinal cannabis market and legal adult use cannabis market is projected to be valued at approximately US$8.4 billion and US$27.4 billion respectively by 2025[1]. Distribution into the US will likely be through supply agreements or product licensing.

We will update shareholders on material developments when appropriate.

Source: [1] Prohibition Partners -The North American Cannabis Report

Question 2 **The exploration of the potential spin-off sounds like an exciting development. What is the update on this HK listing process?**

Company's Response: The proposed spin-off and listing on the HKEX under the HKEX Chapter 18A biotech listing will give us greater access to funding and support from financial institutions and healthcare-focused funds. These funds have previous experience investing in pharmaceutical and biotech companies and therefore understand the industry well. Through the proposed spin-off and listing, we have

a unique opportunity to extract and deliver greater value from our Group's businesses to our shareholders.

The Company has commenced preliminary work in relation to the Proposed Spin-Off and Listing and we will announce material developments at the appropriate time.

Question 3 **When will the company finally be profitable? What is the management doing to bring the company to profitability?**

Company's Response: We do not provide profit guidance.

With regards to the Company's strategy to profitability, the Company has adopted a drug repurposing strategy, which involves identifying new therapeutic uses and/or new dosage forms for existing drugs. This is an alternative approach to the traditional drug discovery process and is a growing trend in the pharmaceutical industry as it allows pharmaceutical companies to reduce their development cost and risk and bring drugs more quickly to the market.

We focus on utilising the US FDA's 505(b)(2) approval pathway to expediently obtain approval of previously approved drugs which incorporate our WaferiX technology. The 505(b)(2) approval process has the potential to be more cost efficient and less time consuming than other approval methods of the US FDA. The Company is able to avoid unnecessary duplication of toxicity studies as the required safety profiles of approved drugs are already established. Subject to drug regulatory requirement and funding, the development period of a drug can be shortened to five to seven years, effectively reducing the time required for development of a new drug by up to 50%. This lowers development cost and risk, whilst increasing speed to market for our products.

The Company is able to pursue drug repurposing as its WaferiX sublingual delivery technology is a versatile platform that enables the incorporation of a variety of drug molecules. We may develop and commercialise these new drug formulations either on our own or in partnership with third parties. Our business model includes out-licensing our WaferiX technology and/or its products where we may derive revenue from licensing upfront fees, milestone payments and royalties.

The Company has identified 3 engines of growth that can deliver profitability:

(a) out-licensing its Wafermine asset to a suitable third party;

(b) distributing its sublingual medicinal cannabis products to legal markets including Australia, US, Europe, New Zealand and Brazil; and

(c) marketing its innovative nutraceuticals in China and Australia.

(Please refer to pages 13 to 15 of the 2021 Annual Report for more information on our business strategy.)

Question 4 **What are the KPIs of key management? What accomplishments have key management attained over the past financial years to deserve to be remunerated so highly?**

Company's Response: As the late-stage specialty pharmaceuticals sector is a relatively new industry in Singapore, it is a challenge to attract professionals with drug development skills and experience. Over the years, key management has achieved many significant drug development milestones which form part of their KPIs, such as:

- Completion of Phase 2 development for Wafermine which includes:

  a) Designing, executing and successfully completing the phase 2b clinical studies in the US. In the results, Wafermine demonstrated strong analgesic efficacy, safety and tolerability in 125 participants experiencing moderate to severe acute, post-operative pain after undergoing abdominoplasty and bunionectomy surgeries;

  b) Successful completion of the End-of-Phase 2 meeting with the US FDA (Food and Drugs Administration), in which the Company reached broad agreement with the US FDA on its pivotal Phase 3 development programme;

  c) Obtaining positive feedback from the European Medicines Agency (EMA) in its scientific advice to the Company regarding its Phase 3 clinical development programme for registration in Europe. Together with the US FDA correspondence, this provides clarity to Wafermine's Phase 3 development programme costs and timelines and positions Wafermine to be licensed to a partner who will then continue and complete the development and commercialisation of the drug;

- Grant of Orphan Drug Designation for the treatment of complex regional pain syndrome (CRPS) with ketamine, which added to the attractiveness of the Wafermine asset to potential licensees;

- Grant of patents in 33 countries, including major markets such as US, China and Europe;

- Achievement of marketing approval for Wafesil in Australia, which enables the commercialisation in not only the Australian market but also in China where it was recently licensed to China Resources Pharmaceutical Group; and

- Obtained export listing status for Xativa, our novel sublingual cannabidiol (CBD) wafer, enabling us to expand our customer base beyond Australia.

In addition, the Company engages external independent remuneration consultants to review the Group's overall compensation plans and performance conditions of its key management and they are of the view that management's remuneration is within industry benchmarks.

Question 5 **The world's supply chain has been affected by COVID and I wonder how is your nutraceutical sales in China affected? Can you comment?**

Company's Response: The prolonged pandemic has had a profound adverse impact on the global economy. Many companies including ours have been, and continue to be, affected by the disruption and uncertainty caused by the pandemic.

Supply chain disruptions have caused increase to logistics costs and disrupted delivery timelines. In addition, the extended border closures, intermittent lockdowns, tensions between Australia and China, have all negatively impacted our plans to scale up capacity to meet the demand for our products.

The installation of the new freeze dryer initially planned for completion in early 2020 had been delayed until July 2021. A combination of border closures, lockdowns and supply chain disruptions affecting Melbourne Australia, where our manufacturing facility is located, prevented us from bringing in our supplier's overseas engineers and importing the necessary components to commission the production equipment.

Given the uncertainty in the timing of emerging from Covid-19, and at times worsening tensions between China and Australia, the Company will continue to monitor the situation and evaluate its plans for further manufacturing capacity expansion.

In China, we currently have two online stores on Tmall Global (Tmall) and JD Worldwide (JD) that have successfully promoted and generated a lot of interest for our premium products like LumeniX, RestoriX and MetaboliX Plus. Following the success of these two online platforms, we have plans to expand the number of online stores to drive sales. Due to the supply chain disruptions and manufacturing capacity limitations mentioned earlier, we will monitor the situation and evaluate our plans for online store expansion.

Question 6 **In his letter to shareholders (pg. 6 of the 2021 annual report), the Chairman mentioned that the Company is planning to launch an innovative anti-aging sublingual NAD+ product in 2Q2022.**

a. Can you explain your basis for choosing to develop this product?

b. How different is this product from the existing NAD supplements already available in the market, and how confident are you that it will do better against the competition?

Company's Response: NAD products have been garnering a lot of interest from consumers in China and the US. Entity has built a strong following for its NAD oral supplements, RestoriX and MetaboliX Plus on its China Tmall and JD stores.

Currently, NAD products in the Chinese market contain NAD precursors that are taken orally and get broken down in the GI tract. NAD precursors need to be reassembled in the body into NAD+, a process which is highly variable between individuals and may not lead to consistent NAD+ supplementation. (Please refer to page 15 of the 2021 Annual Report for more information on SL-NAD+)

SL-NAD+ is a sublingual NAD+ wafer that delivers pure NAD+ under the tongue. Utilizing our WaferiX technology, we are able to stabilise the otherwise unstable NAD+ molecule and deliver it in a way that is convenient and easy to use. SL-NAD+ rapidly disintegrates under the tongue for pure NAD+ to be absorbed directly into the bloodstream and has the potential to provide a faster onset of effect.

As the product is highly differentiated from its competition and is the one and only sublingual product that we are aware of containing pure NAD+, the Company is optimistic that this product will be well-received.

Question 7 **Are the Company's manufacturing operations in Australia affected by the extended lockdowns? What kind of support is the Company receiving from the Australian government to help keep its operations going?**

Company's Response: As discussed previously, we experienced delays in the expansion of our freeze-dry manufacturing capacity during the extended lockdowns.

However, as pharmaceutical drug manufacturing is considered an essential business, our facility was able to continue production during the lockdown. (Please refer to page 10 of the 2021 Annual Report for more information on our operations.)

We were grateful to have received A$60,000 in payroll support grant from the federal government for FY2021.

BY ORDER OF THE BOARD

Eddy Lee

Chairman & CEO

14 October 2021
