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 16 OCTOBER 2020

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 1 October 2020.

The Company wishes to address key questions received from the Shareholders ahead of the upcoming annual general meeting to be held on 16 October 2020 (the "**AGM**"). The questions submitted to the Company by shareholders and the Company's responses to those questions are set out below.

Question 1	**Per last communication, situation in the state of Victoria has affected the Group's production and capacity expansion. Is the plant running at maximum capacity currently? With the reopening of business travel, will it expedite the equipment installation and capacity expansion?**
Company's Response:	The current wafer production line is running at full capacity. Production is focused on medicinal cannabis wafers and Entity's LumeniX wafers. AS announced previously, extended border closures in Australia and particularly in Victoria have caused a delay to our timeline of expansion of wafer production capacity. The equipment supplier has not been able to send their engineers to our facility to install the equipment. In view of the continued border closures, particularly in Victoria, Australia, we have reached an agreement with our supplier to have our equipment installed by Victoria-based engineers under their supervision. Our supplier has since identified, qualified and arranged such engineers to commence installation. Work has commenced but we anticipate that installation and testing may take longer as the supplier's own engineers are not onsite. Nevertheless, based on the progress achieved to-date, we estimate that the expanded capacity will be available in March 2021, provided that COVID-19 does not cause business conditions to deteriorate further.
Question 2	**The Group has obtained a laboratory testing license. However, this seems to contradict the Group's decision to sell its laboratory testing business in FY2019. Apart from the benefits as stated by the management on obtaining the license, the previous lab testing business was a free cash flow generating vehicle. Is the Group reverting to its previous business model?**
Company's Response:	Before a product can be released for sales in Australia, it would need to be tested for compliance in a TGA licensed laboratory. With our new in-house laboratory testing license, we will benefit from speed to market and potential cost savings when product testing is carried out in our own laboratory.

The previous lab testing business primarily serviced third parties and required a substantial headcount of 50. The sale in FY2019 included the TGA license for chemical and analytical testing but a core number of chemical analysts were retained by us to establish a testing laboratory for our own testing requirements.

We are not reverting to our previous business model as our newly licensed in-house testing laboratory caters only to the Group's requirements for product release testing and requires a substantially lower headcount. As we operate a fully integrated business model from drug development, manufacturing to sales and marketing, in-house lab testing is a core competency of an integrated pharmaceutical manufacturer.

Question 3 **Out-licensing of Wafermine and Wafesil**

3(a) **How are the discussions with potential out-licensing partners? Can shareholders expect positive news from this in 2021?**

Company's Response: Out-licensing program of Wafermine has commenced. The out-licensing of a pharmaceutical asset, such as Wafermine, is quite an involved and lengthy process and the Company will update the shareholders as and when appropriate.

3(b) **Has the Company conducted a valuation of Wafermine? How much is the valuation?**

Company's Response: The Company did commission a valuation of Wafermine by an independent, experienced valuer of pharmaceutical licensing assets. As mentioned in the Company's Response to Question 3 (a), as we have commenced the out-licensing process, it will not be prudent to disclose the valuation as it may impact negotiations with potential licensees.

3(c) **How is the Wafesil out-licensing deal coming along and when can shareholders see revenue from Yiling?**

Company's Response: The registration of Wafesil in China is in progress and, as previously announced, it is expected to take approximately 24 months.

The Company will receive milestone fees upon the completion of bioequivalence studies and on the first commercial supply of wafers by the Group to Yiling.

Question 4 **The demand for medicinal cannabis is huge. How confident is the Company in capturing the market share?**

Company's Response: The adoption and use of cannabis for medicinal and wellness purposes is a global phenomenon which is growing in many countries such as the US, Canada, Europe and Australia. As the industry evolves, consumers are also getting more sophisticated in their search for the right products to meet their medicinal and wellness needs.

We believe that our medicinal cannabis products including Xativa, a broad spectrum cannabidiol sublingual wafer delivered using WaferiX delivery technology, are game changers in the industry.

Xativa is the world's first freeze dried medicinal cannabis sublingual wafer. The launch of Xativa was covered by Australia's national news network, Nine News.

In Australia, medicinal cannabis products available to patients come in the form of flowers that have to be vapourised or smoked, which may be toxic and have variable absorption. Similarly, oils, tinctures capsules also have variable absorption and hence slow onset of therapeutic effect.

As Xativa is formulated with WaferiX sublingual technology, it offers a highly differentiated and superior dosage form that achieves:

- rapid disintegration & maximum sublingual absorption
- fast and predictable therapeutic action
- ease of use
- discretion

For more details, please refer to "*Business Strategy – Increase Patient Share in Australia with Innovative Medicinal Cannabis Products*" on pages 18 & 19 of the Annual Report 2020.

Question 5 **Is the Company looking to capitalise on WaferiX to develop other drugs which may then be out-licensed or to renew off-patent drugs?**

Company's Response: Yes.

As a drug delivery technology platform, WaferiX is a key driver of growth for the Company. The potential of the platform to create supergeneric drugs, to produce new drugs at a lower risk and cost, and to extend a product life cycle, are tremendous. The Group continuously evaluates new product development either on its own or with partners, after considering factors like the ability of WaferiX to improve the absorption of the drug or increase the speed of therapeutic effect, the size of the market, and other factors.

For more details, please refer to "*WaferiX Technology – Products Utilising WaferiX Technology*" on page 9 of the Annual Report 2020, and "*Business Strategy – Leverage Waferix As A Platform To Develop New Products*" on page 20 of the Annual Report 2020.

Question 6 **It was noted that despite year-on-year revenue increase, operating income/profit and free cashflow remain under the water. How will forward business outlook change the financial performance and position of the Group?**

The Company does not provide a profit forecast.

However, we wish to highlight that the Group's past investment in R&D has enabled the Group to build a diversified portfolio of novel products and services. The Group is now placing a strong emphasis on commercialising these novel

products and services. We leverage our WaferiX sublingual technology to power the following 3 growth engines:

- Wafermine for out-licensing
- Medicinal cannabis wafers for Australia and other markets
- Entity nutraceuticals sales into China via eCommerce

For more details, please refer to *"Item 10 Commentary On Known Factors or Events That May Affect The Group"* on pages 14 to 16 of the Group's Full Year Results Announcement released on 29 August 2020.

Question 7 **Does the Company foresee a need to raise more capital in the next 3 years?**

Company's Response: Generally, companies raise additional capital to meet their business expansion needs, to strengthen their balance sheet for mergers and acquisitions, and/or to respond to significant uncertainties.

As set out in our response to Question 6 above, the Group has identified three revenue growth engines to drive the commercialisation of the Group's products and services. The Company recently raised S$10.2 million via a placement to shore up its balance sheet in order to pursue growth opportunities in medicinal cannabis and in the China market.

Our future funding needs will depend on the quantum and timing of the outcomes and contribution from these three growth engines. For example, the Company may require additional capital to pursue opportunities presented by medicinal cannabis or expansion plans into China. If so, the Company will weigh the need to raise additional funds against the opportunity costs of delaying or forgoing these opportunities. Other factors that could have a significant impact on the Group's cash position are the timing and proceeds of the out-licensing of Wafermine and/or other products.

BY ORDER OF THE BOARD

Eddy Lee

Chairman & CEO

14 October 2020
