Medexus Announces Strong Fiscal Q2 2027 Results Driven By Record Product-Level Performance of GRAFAPEX™ (Treosulfan) for Injection

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Fiscal Q2 2027 net revenue of $29.1 million, Adjusted EBITDA* of $5.1 million, operating income of $2.4 million, and net income of $0.8 million - all quarterly records since fiscal Q4 2025, demonstrating significant year-over-year growth

Product-level net revenue* from GRAFAPEX™ (treosulfan) for Injection of $5.7 million also a quarterly record

Management to host conference call at 8:00 AM Eastern Time on Thursday, November 12, 2026

Toronto, Ontario and Chicago, Illinois (Newsfile Corp. - November 11, 2026) - Medexus Pharmaceuticals (TSX: MDP) (OTCQX: MEDXF) today announced its operating and financial results and provided a business update for the company's second fiscal quarter ended September 30, 2026 (the Company's fiscal Q2 2027). All dollar amounts in this news release are in US dollars unless specified otherwise.

Company overview

Medexus is focused on delivering strong performance from GRAFAPEX, and also remains focused on supporting stable overall performance across the Company's portfolio of products. The Company's key financial measures of net revenue, Adjusted EBITDA*, operating income, and net income for fiscal Q2 2027 are all quarterly records since fiscal Q4 2025, the fiscal quarter in which Medexus executed the commercial launch of GRAFAPEX.

"We are pleased with the product-level performance of GRAFAPEX to date and the progress we are making in establishing its position in the allogeneic hematopoietic stem cell transplantation field, or allo-HSCT, in the United States," commented Ken d'Entremont, Chief Executive Officer of Medexus. "GRAFAPEX continues to perform in line with our expectations that product-level net revenue from GRAFAPEX will be $30 million to $32 million for fiscal year 2027, considering expected adoption and repeat order patterns."

Mr. d'Entremont continued: "We also expect to see the results of recent enhancements to our commercialization strategy, including the deployment of additional field force resources starting in fiscal Q2 2027. This increased investment in new roles will address specific customer barriers in large institutions. Our people are now even more focused on increasing awareness of GRAFAPEX, strengthening engagement with transplant centers, and building on the continued adoption of the product by customers or by key institutions. We are encouraged by the early indicators we have seen and believe our expanded commercial presence positions us well to build momentum through the remainder of the fiscal year."

Key update on GRAFAPEX

Medexus has continued to see a positive market response to GRAFAPEX™ (treosulfan) for Injection since the US commercial launch of the product in February 2025. The Company expects

that GRAFAPEX will account for a significant portion of total net revenue and operating cash flow over the coming fiscal years. For the three- and six-month periods ended September 30, 2026, Medexus recognized product-level net revenue from GRAFAPEX of $5.7 million and $10.6 million, relative to $3.8 million and $7.0 million of GRAFAPEX personnel and infrastructure investments and $0.7 million and $1.3 million of cost of sales of products (before amortization). Medexus continues to expect to achieve annual product-level net revenue from GRAFAPEX of approximately $100 million to $175 million within five years after commercial launch.

Financial highlights

Key financial highlights for the three- and six-month periods ended September 30, 2026 include the following:

- Net revenue of $29.1 million and $57.7 million for the three- and six-month periods ended September 30, 2026, an increase of $4.4 million and $8.3 million, or 17.6% and 16.9%, compared to $24.7 million and $49.4 million for the corresponding prior year periods. The $4.4 million and $8.3 million year-over-year net revenue increase was primarily due to an increase in product-level net revenue from GRAFAPEX (due to commercial traction observed to date) and IXINITY (largely due to patient demand dynamics outside the normal course) and the continued positive effects on product-level net revenue from Rasuvo of changes in the treatment landscape. The year-over-year increase for the six-month period ended September 30, 2026 was partially offset by the one-time positive impact of royalty revenue in fiscal Q1 2026.

- Adjusted EBITDA* of $5.1 million and $9.8 million for the three- and six-month periods ended September 30, 2026, an increase of $0.7 million and $2.0 million, or 16.7% and 25.2%, compared to $4.4 million and $7.8 million for the corresponding prior year periods. The $0.7 million and $2.0 million year-over-year Adjusted EBITDA* increase was primarily due to the $5.7 million and $10.6 million of product-level net revenue from GRAFAPEX for the three- and six-month periods ended September 30, 2026 exceeding the $3.8 million and $7.0 million of GRAFAPEX personnel and infrastructure investments plus $0.7 million and $1.3 million of cost of sales of products (before amortization) in the same periods, together with the year-over-year increase in product-level net revenue from IXINITY in the six-month period ended September 30, 2026, partially offset for the six-month period ended September 30, 2026 by the one-time positive impact of royalty revenue in fiscal Q1 2026. The year-over-year increases were partially offset by the impact of generic competition on product-level net revenue from Rupall.

- Operating income of $2.4 million and $4.6 million for the three- and six-month periods ended September 30, 2026, an increase of $1.1 million and $2.3 million, or 77.2% and 104.5%, compared to $1.4 million and $2.2 million for the corresponding prior year periods. The $1.1 million and $2.3 million year-over-year increase was primarily due to the increasing operating leverage observed in product-level performance of GRAFAPEX.

- Gross margin of 55.9% and 55.8% and Adjusted Gross Margin* of 64.0% and 63.9% for the three- and six-month periods ended September 30, 2026, compared to gross margin of 55.7% and 55.8% and Adjusted Gross Margin* of 65.2% and 65.4% for the corresponding prior year periods. The year-over-year changes in gross margin and Adjusted Gross Margin* are primarily due to the changes in the relative contribution of product-level net revenue

reflected in net revenue discussed above, in particular an increasing level of net sales of GRAFAPEX, the one-time positive impact of the royalty revenue in fiscal Q1 2026 (for the six-month period ended September 30, 2026), and higher cost of sales of products for IXINITY in fiscal year 2027.

- Net income of $0.8 million and $1.4 million for the three- and six-month periods ended September 30, 2026, an increase of $1.1 million and $1.2 million compared to net loss of $0.3 million and net income of $0.2 million for the corresponding prior year periods.
- Available liquidity of $8.4 million (September 30, 2026), consisting of cash and cash equivalents of $8.4 million (March 31, 2026 - $6.5 million) and available credit of nil under the revolving facility of the Company's senior secured credit agreement with National Bank of Canada (March 31, 2026 – $2.5 million).
- Cash provided by operating activities of $5.4 million and $4.7 million for the three- and six-month periods ended September 30, 2026, an increase of $2.1 million and a decrease of $2.6 million compared to $3.3 million and $7.3 million for the corresponding prior year periods, primarily due to changes in net income adjusted for non-cash items, together with year-over-year increases in income taxes paid, among other factors. Although working capital items can affect cash flow results for individual quarters, Medexus continues to expect that an increasing level of product-level net revenue from GRAFAPEX will have a positive effect on operating cash flow.

* *Refer to "Non-GAAP measures" at the end of this news release for information about non-GAAP measures and related items, including Adjusted EBITDA, Net Debt to Adjusted EBITDA, and Adjusted Gross Margin.*

"We continue to see the remainder of fiscal year 2027 as an opportunity to demonstrate the Company's financial strength," commented Brendon Buschman, Chief Financial Officer of Medexus. "Supported by Net Debt to Adjusted EBITDA* of 0.97x as of September 30, 2026, we expect to continue generating meaningful operating cash flow in fiscal year 2027, in particular as GRAFAPEX continues to scale."

Mr. d'Entremont concluded: "We are pleased with the first half of fiscal year 2027, supported by the continued growth of GRAFAPEX, continued preregistration work on UM171 Cell Therapy in Canada, and a strong financial foundation. We remain focused on disciplined operational execution focused on GRAFAPEX, while our existing credit facilities and liquidity position will provide the financial flexibility to support our growth strategy and investments in business opportunities that will create long-term value."

Operational highlights

Hematology and hemato-oncology

- GRAFAPEX (US): Medexus achieved $5.7 million and $10.6 million of product-level net revenue from GRAFAPEX for the three- and six-month periods ended September 30, 2026. Underlying patient demand (determined based on units delivered by the wholesaler to institutions during the period, with reference to Medexus's corresponding product-level net revenue) was $5.6 million for fiscal Q2 2027, representing underlying patient demand growth

of 16% compared to $4.8 million for fiscal Q1 2027 and 156% compared to $2.1 million for fiscal Q2 2026. (Source: Internal EDI data.) Since launch, total wholesaler purchases of GRAFAPEX have exceeded total demand by $1.4 million, resulting in an estimated one month of inventory on hand at September 30, 2026 held by the Company's single wholesaler for GRAFAPEX. This wholesaler inventory level is consistent with Medexus's expectations for this stage of a product launch; however, inventory management decisions by the wholesaler could affect the timing, volume, and commercial terms of wholesaler orders, and consequently product-level net revenue, in future quarters. Medexus expects that product-level net revenue from GRAFAPEX for fiscal year 2027 will be between $30 million and $32 million. Medexus bases its expectations regarding the necessary acceleration of product-level net revenue over the remainder of fiscal year 2027 on expected adoption and repeat order patterns, in part based on enhancements to the Company's commercialization strategy, including the deployment of additional field force resources starting in fiscal Q2 2027. Medexus now expects that the annual product-level Adjusted Gross Margin* of GRAFAPEX will ultimately be approximately 85%, reflecting higher reimbursement, lower commercial and government rebates, and different tariff dynamics for the product than originally estimated. Changes in these factors over time will also have a slight effect on net revenue. Product-level Adjusted Gross Margin* for the three- and six-month periods ended September 30, 2026 remained higher due to the evolving reimbursement dynamics for the product, in light of lower estimated outpatient utilization to date. The Company continues to evaluate product development and other lifecycle management opportunities intended to enhance the long-term commercial potential of GRAFAPEX and support the durability of its contribution to Medexus's portfolio and to allo-HSCT in the United States. The success of these initiatives could improve ease of use and/or support adoption across a broader range of transplant settings and potentially extend the product's long-term net revenue and cash flow contributions.

- IXINITY (US): Patient unit demand in the United States increased by 12% over the trailing 12-month period ended September 30, 2026. (Source: customer-reported dispensing data.) Despite this recent period-over-period increase, Medexus expects that 12-month trailing unit demand will remain relatively stable in the near term as the Company works to maintain a patient base who are stable and satisfied with the product. In fiscal Q3 2026, in an effort to further improve batch yield and manufacturing costs, Medexus entered into an agreement with the Company's third-party contract manufacturer of IXINITY for a $4.0 million manufacturing process upgrade (plus $2.0 million for a test batch of IXINITY that will, if successful, be saleable product), of which approximately $1.4 million was paid in fiscal year 2026; no amounts have been paid in fiscal year 2027 to date.

- UM171 Cell Therapy (Canada): In June 2026, Medexus secured exclusive Canadian rights to commercialize UM171 Cell Therapy, a proprietary advanced clinical stage investigational drug product that recently received conditional marketing authorization in Europe from the European Commission (or EC) as Zemcelpro® (dorocubicel), in a license and supply deal with ExCellThera, a blood stem cell expansion and metabolic fitness company, and Cordex Biologics, its wholly owned subsidiary. Zemcelpro is a novel personalized cryopreserved hematopoietic stem cell transplantation product containing two components, namely UM171-expanded CD34+ cells (dorocubicel) and unexpanded CD34- cells, each derived from the same cord blood unit. The product is used to treat hematological malignancies (blood cancers), such as leukemias and myelodysplasias. Cordex will manage an international multi-center phase 3 clinical trial of the product in patients with high- and very high-risk acute

leukemias and myelodysplasias, which is a post-authorization measure for the product's conditional marketing authorization in Europe. Medexus has agreed to sponsor the new drug submission seeking Health Canada approval of UM171 Cell Therapy in Canada as Zemcelpro® (dorocubicel), and preliminary work on this regulatory process is underway. Given its current stage of development in Canada, Medexus does not expect to begin commercializing the product before calendar year 2028 or, depending on available regulatory pathways, possibly calendar year 2031.

Rheumatology and allergy

- Rasuvo (US): Patient unit demand for Rasuvo increased by 15% over the trailing 12-month period ended September 30, 2026. (Source: Internal EDI Data.) In July 2026, Medexus and medac filed a patent infringement lawsuit in respect of a proposed generic version of Rasuvo, which remains ongoing as of the date of this news release.
- Metoject (Canada): Patient unit demand for Metoject decreased by 3% over the trailing 12-month period ended September 30, 2026. (Source: IQVIA – TSA Monthly Data.) Medexus attributes this decrease in unit demand to the continued effects of generic competition.
- Rupall (Canada): Rupall's market exclusivity, granted by Health Canada, expired in January 2025 and Rupall now faces generic competition in Canada. As a result, patient unit demand over the three- and six-month periods ended September 30, 2026 has decreased 25.7% and 27.4% when compared to the corresponding prior year periods. (Source: IQVIA TSA Monthly Data.)

Additional information

Medexus's financial statements and management's discussion and analysis for the most recently completed fiscal periods, and for historical periods, are available on Medexus's corporate website at www.medexus.com and in the company's corporate filings on SEDAR+ at www.sedarplus.ca.

Conference call details

Medexus will host a conference call at 8:00 am Eastern Time on Thursday, November 12, 2026, to discuss Medexus's results for fiscal Q2 2027.

To participate in the call, please dial the following numbers:

888-506-0062 (toll-free) for Canadian and U.S. callers
+1 973-528-0011 for international callers

Access code: 351912

A live webcast of the call will be available on the Investors section of Medexus's corporate website or at the following link:

https://www.webcaster5.com/Webcast/Page/2010/54790

A replay of the call will be available approximately one hour following the end of the call through Thursday, November 26, 2026. To access the replay, please dial the following numbers –

877-481-4010 for Canadian and U.S. callers
+1 919-882-2331 for international callers

Conference ID: 54790

A replay of the webcast will be available on the Investors section of Medexus's corporate website until Friday, November 12, 2027.

About Medexus

Medexus is a leading pharmaceutical company with a strong North American commercial platform and a growing portfolio of innovative and rare disease treatment solutions. Medexus's current focus is on hematology and hemato-oncology products, including cell and gene therapy products, and historically also on rheumatology and allergy products. For more information about Medexus and its product portfolio, please see the company's corporate website at www.medexus.com and its filings on SEDAR+ at www.sedarplus.ca.

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Forward-looking statements

Certain statements in this news release contain forward-looking information within the meaning of applicable securities laws, also known and/or referred to as "forward-looking information" or "forward-looking statements". The words "anticipates", "believes", "budget", "potential", "targets", "could", "estimates", "expects", "forecasts", "goals", "intends", "may", "might", "objective", "outlook", "plans", "projects", "schedule", "should", "will", "would", "prospects", and "vision", or similar words, phrases, or expressions, are often intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words, phrases, or expressions. Specific forward-looking statements in this news release include, but are not limited to, information contained in statements regarding any of the following: Medexus's business strategy, outlook, and other expectations and plans regarding financial or operational performance, including those specific to and/or attributable to GRAFAPEX™ (treosulfan) for Injection (including patient demand for GRAFAPEX, and including any seasonality or other variability in such demand and any resulting impact of the foregoing on product-level performance of GRAFAPEX and/or corresponding Company-level measures), in particular in light of investments in the commercialization of GRAFAPEX, and including those regarding the strength and resilience of the Company's portfolio whether including or excluding GRAFAPEX; future growth, net revenues, and investments and expenses, including in respect of the commercialization of GRAFAPEX (including as indicators of operating leverage), IXINITY (including the IXINITY manufacturing process improvement initiative, and including the

occurrence or timing of any further investments in that initiative), and Medexus's other leading products, and including product-level performance in respect of same; the occurrence, attribution, and persistence of any increased demand for or other expected benefit to Rasuvo resulting from recent changes in the treatment landscape; inventory levels and management of Medexus's single wholesaler for GRAFAPEX; patient demand for GRAFAPEX; anticipated trends and challenges in Medexus's business and the markets in which it operates, including in respect of the Company's competitive position in and demographics of those markets, the Company's product pricing strategies, and product opportunities available to the Company; Medexus's ability to secure and fund commercialization rights to promising products and the performance of those products against expectations, including in respect of UM171 Cell Therapy; and the success of the Company's ongoing business development initiatives focused on allo-HSCT and their potential contributions to Medexus's future growth, whether sustained or otherwise. The forward-looking statements and information included in this news release are based on Medexus's current expectations and assumptions, including factors or assumptions that were applied in drawing a conclusion or making a forecast or projection, and including assumptions based on regulatory guidelines, historical trends, current conditions, and expected future developments. In particular, and without limiting the generality of the foregoing, Medexus's estimate of product-level net revenue from commercialization of GRAFAPEX is based on a number of such factors and assumptions as most recently described in Medexus's most recent management's discussion and analysis, and including the Company's planned commercial, market access, and medical strategies, the success of which will depend in part on the US regulatory landscape and related dynamics, including potential future changes to each, and can introduce and affect exposure to commercial, legal, and regulatory risk. Since forward-looking statements relate to future events and conditions, by their very nature they require making assumptions and involve inherent risks and uncertainties. Medexus cautions that, although the assumptions are believed to be reasonable in the circumstances, these risks and uncertainties mean that actual results could differ, and could differ materially, from the expectations contemplated by the forward-looking statements. Material risk factors include, but are not limited to, those set out in Medexus's materials filed with the Canadian securities regulatory authorities from time to time, including Medexus's most recent annual information form and management's discussion and analysis. Accordingly, undue reliance should not be placed on these forward-looking statements, which are made only as of the date of this news release. Other than as specifically required by law, Medexus undertakes no obligation to update any forward-looking statements to reflect new information, subsequent or otherwise.

Protected names and marks

This news release contains references to trademarks and other protected names and marks, including those belonging to other companies, persons, or entities. Solely for convenience, trademarks and other protected names and marks referred to in this news release may appear without the "®", "™", or other similar symbols. Each such reference should be read as though it appears with the relevant symbol. Any such references are not intended to indicate, in any way, that the holder or holders will not assert those rights to the fullest extent under applicable law.

Non-GAAP measures

Company management uses, and this news release refers to, financial measures that are not recognized under IFRS and do not have a standard meaning prescribed by generally accepted accounting principles (GAAP) in accordance with IFRS or other financial or accounting authorities (non-GAAP measures). These non-GAAP measures may include "non-GAAP financial measures", "non-GAAP ratios", and "supplementary financial measures" (each defined in National Instrument 52-112, Non-GAAP and Other Financial Measures Disclosure). Medexus's method for calculating these measures may differ from methods used by other companies and therefore these measures are unlikely to be comparable to similarly-designated measures used or presented by other companies.

In particular, management uses Adjusted EBITDA, Adjusted EBITDA Margin (Adjusted EBITDA divided by net revenue, expressed as a percentage), Adjusted Gross Profit (Loss) (gross profit (loss) before amortization of intangible assets), product-level Adjusted Gross Profit (Loss), Adjusted Gross Margin (Adjusted Gross Profit (Loss) divided by net revenue, expressed as a percentage), product-level Adjusted Gross Margin, Net Debt and Net Debt to Adjusted EBITDA (Net Debt as of a given date divided by Adjusted EBITDA for a given period ending on that same date, generally the trailing four fiscal quarters unless specified otherwise, expressed as a multiple), and product-level net revenue and product-level investments and expenses as measures of Medexus's performance. EBITDA (earnings before interest, taxes, depreciation, and amortization), Adjusted EBITDA, Adjusted Gross Profit (Loss), product-level Adjusted Gross Profit (Loss), and Net Debt are non-GAAP financial measures; Adjusted EBITDA Margin, Adjusted Gross Margin, product-level Adjusted Gross Margin, and Net Debt to Adjusted EBITDA are non-GAAP ratios; and product-level net revenue, product-level investments and expenses, and gross margin (gross profit (loss) divided by net revenue, expressed as a percentage) are supplementary financial measures.

An explanation and discussion of each of these non-GAAP measures, including their limitations, is set out under the heading "Preliminary Notes—Non-GAAP measures" in Medexus's most recent management's discussion and analysis, and is hereby incorporated by reference. A reconciliation of Adjusted EBITDA to the most directly comparable IFRS measure can be found under the heading "Reconciliation of Adjusted EBITDA to Net Income (Loss)" below. A reconciliation of Adjusted Gross Margin and product-level Adjusted Gross Margin to the most directly comparable IFRS measure can be found under the heading "Reconciliation of Adjusted Gross Profit (Loss) and Adjusted Gross Margin" below. A reconciliation of Net Debt to the most directly comparable IFRS measure can be found under the heading "Reconciliation of Net Debt" below.

The following tables are derived from and should be read together with Medexus's consolidated financial statements for the corresponding fiscal periods. The supplementary disclosure is intended to more fully explain disclosures related to Adjusted EBITDA, Adjusted Gross Margin and product-level Adjusted Gross Margin, and Net Debt and Net Debt to Adjusted EBITDA, and provides additional information related to Medexus's operating performance. However, Medexus's non-GAAP measures have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of Medexus's financial information as reported under IFRS.

Reconciliation of Adjusted EBITDA to Net Income (Loss)

	Three-month periods ended September 30,		Six-month periods ended September 30,	
(Amounts in $ '000s except percentages)	2026	2025	2026	2025
Net income (loss)	813	(315)	1,357	201
Add back:				
Depreciation and amortization (property, equipment, product licenses)	2,416	2,428	4,829	4,854
Financing costs	1,274	1,407	2,528	2,813
Income tax expense (recovery)	410	(12)	367	87
EBITDA	4,913	3,508	9,081	7,955
Add back:				
Share-based compensation	223	270	376	437
Termination benefits	–	276	–	276
Business combinations payable – unrealized gain on change in fair value	–	–	–	(182)
Foreign exchange (gain) loss	(57)	297	302	(284)
Gain on disposal of assets	–	–	–	(408)
Adjusted EBITDA	5,079	4,351	9,759	7,794
Adjusted EBITDA Margin	17.5%	17.6%	16.9%	15.8%

Reconciliation of Adjusted Gross Profit (Loss) and Adjusted Gross Margin

Company

	Three-month periods ended September 30,		Six-month periods ended September 30,	
(Amounts in $ '000s except percentages)	2026	2025	2026	2025
Net revenue	29,100	24,741	57,685	49,356
Cost of sales	12,826	10,955	25,509	21,796
Gross profit	16,274	13,786	32,176	27,560
Gross margin	55.9%	55.7%	55.8%	55.8%
Add back: Amortization of product licenses	2,344	2,356	4,687	4,712
Adjusted Gross Profit	18,618	16,142	36,863	32,272
Adjusted Gross Margin	64.0%	65.2%	63.9%	65.4%

GRAFAPEX

	Three-month periods ended September 30,		Six-month periods ended September 30,	
(Amounts in $ '000s except percentages)	2026	2025	2026	2025
Product-level net revenue	5,716	3,148	10,629	6,161
Product-level cost of sales	(1,782)	(1,454)	(3,441)	(2,972)
Product-level gross profit	3,934	1,694	7,188	3,189
Product-level gross margin	68.8%	53.8%	67.6%	51.8%
Add back: Product-level amortization of product licenses	1,071	1,071	2,142	2,142
Product-level Adjusted Gross Profit	5,005	2,765	9,330	5,331
Product-level Adjusted Gross Margin	87.6%	87.8%	87.8%	86.5%

Reconciliation of Net Debt

(Amounts in $ '000s)		
As at:	September 30, 2026	March 31, 2026
Current portion of long-term debt	2,912	2,213
Long-term debt	23,312	20,051
	26,224	22,264
Less: Cash and cash equivalents	8,353	6,523
Net Debt	**17,871**	**15,741**