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Medexus Announces New License Deal for Topical Terbinafine

TORONTO and CHICAGO, March 22, 2023 (GLOBE NEWSWIRE) -- Medexus Pharmaceuticals (TSX: MDP; OTCQX: MEDXF) is pleased to announce that the company has secured Canadian rights to commercialize terbinafine hydrochloride nail lacquer supplied by Polichem, an Almirall group company focused on medical dermatological treatments for skin health. The product, which Medexus will submit for Health Canada approval later this year, has been widely used in other markets to treat fungal nail infections. Medexus estimates the total value of the Canadian fungicides market to be C$88 million annually.*

“Terbinafine hydrochloride is an excellent strategic fit with our market leading product Rupall®. We expect to soon have two strong products in our primary care sales force,” said Richard Labelle, Medexus’s General Manager—Canadian Operations. “Our sales force in Canada is already well acquainted with the dermatology field, and we see this once-a-week treatment as an important potential addition to the Canadian market. Following a Health Canada approval of terbinafine hydrochloride nail lacquer, our team will be ready and eager to put our institutional knowledge to work making an innovative new product available to healthcare professionals and patients across Canada.”

“We expect that terbinafine hydrochloride will both grow our Canadian revenues and engage the commercial infrastructure we have put in place to support Rupall®, one of our current leading products,” added Ken d’Entremont, Chief Executive Officer of Medexus. “We view this deal as another example of our ability to execute accretive transactions that make efficient use of our capital and leverage our existing commercial infrastructure, with no significant effect on our near-term capital allocation strategy.”

Medexus has agreed to sponsor the new drug submission seeking Health Canada approval of topical terbinafine nail lacquer. If and when approved by Health Canada, Medexus will pay Polichem a quarterly low double-digit percentage royalty on net sales of the product, inclusive of supply price. The long-term license agreement also provides for a low upfront payment and four sales-based milestone payments, which limits Medexus’s initial outlay and aligns the parties’ interests around product performance.

* *Source: IQVIA Canadian drugstore and hospital purchases, June 2022 MAT.*

About Medexus

Medexus is a leading specialty 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 the therapeutic areas of hematology, oncology, auto-immune diseases, and allergy. 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.sedar.com.

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Forward-looking statements

Certain statements made in this news release contain forward-looking information within the meaning of applicable securities laws (forward-looking statements). The words "anticipates", "believes", "expects", "will", "plans", "potential", and 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, statements regarding Medexus's expectations with respect to the company's financial or operational performance (including performance of or attributable to terbinafine hydrochloride and related synergies or economies of scope across products, if any), the occurrence, timing, and expected outcome of a Health Canada review process for terbinafine hydrochloride and related commercial launch in Canada (if any), and expectations regarding cash flow generation and capital allocation (including anticipated cash needs, capital requirements, and needs for and ability to secure additional financing). These statements are based on factors or assumptions that were applied in drawing a conclusion or making a forecast or projection, including assumptions based on historical trends, current conditions, and expected future developments. 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 it is believed that the assumptions are reasonable in the circumstances, these risks and uncertainties give rise to the possibility that actual results may differ materially from the expectations set out in 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. Given these risks, 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.

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