August 10, 2026

Medexus Announces Fiscal Q1 2027 Results With Strongest Quarter of Product-Level Performance of GRAFAPEX (Treosulfan) to Date

Fiscal Q1 2027 includes product-level net revenue from GRAFAPEX™ (treosulfan) for Injection of $4.9 million relative to $3.2 million of GRAFAPEX personnel and infrastructure investments

Commercial traction observed to date reinforces Medexus confidence in the growth trajectory of GRAFAPEX

Management to host conference call at 8:00 AM Eastern time on Tuesday, August 11, 2026

Toronto, Ontario and Chicago, Illinois--(Newsfile Corp. - August 10, 2026) - Medexus Pharmaceuticals (TSX: MDP) (OTCQX: MEDXF) today announced its operating and financial results and provided a business update for the company's first fiscal quarter ended June 30, 2026 (the Company's fiscal Q1 2027). All dollar amounts in this news release are in US dollars unless specified otherwise.

Company overview

Medexus is currently focused on delivering strong performance from GRAFAPEX, and also remains focused on supporting stable overall performance across the Company's portfolio of products in both the United States and Canada.

"Our first quarter results reinforce our confidence in the growth trajectory of GRAFAPEX and the strength of our business," commented Ken d'Entremont, Chief Executive Officer of Medexus. "GRAFAPEX delivered its strongest quarter to date and 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."

Mr d'Entremont continued: "As we execute on our growth strategy, we are also excited to expand our presence in the allo-HSCT space through the addition of UM171 Cell Therapy in Canada, further focusing our portfolio and creating new opportunities for long-term value creation."

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-month period ended June 30, 2026, Medexus recognized product-level net revenue from GRAFAPEX of $4.9 million, relative to $3.2 million of GRAFAPEX personnel and infrastructure investments. 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 fiscal Q1 2027 include the following:

- Net revenue of $28.6 million for the three-month period ended June 30, 2026, an increase of $4.0 million, or 16.3%, compared to $24.6 million for the corresponding prior year period. The $4.0 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 customer purchasing patterns in fiscal Q1 2027 and 2026) and the continued positive effects on product-level net revenue from Rasuvo of changes in the treatment landscape. The year-over-year increase was partially offset by the one-time positive impact of royalty revenue in fiscal Q1 2026 and, to a lesser extent, the impact of generic competition on product-level net revenue from Rupall in fiscal Q1 2027.

- Adjusted EBITDA* of $4.7 million for the three-month period ended June 30, 2026, an increase of $1.3 million, or 38.2%, compared to $3.4 million for the corresponding prior year period. The $1.3 million year-over-year Adjusted EBITDA* increase was primarily due to the $4.9 million of product-level net revenue from GRAFAPEX for fiscal Q1 2027 exceeding the $3.2 million of GRAFAPEX personnel and infrastructure investments in the same period, together with the year-over-year increase in product-level net revenue from IXINITY, partially offset by the one-time positive impact of royalty revenue in fiscal Q1 2026.

- Operating income of $2.1 million for the three-month period ended June 30, 2026, an increase of $1.2 million, or 133.3%, compared to $0.9 million for the corresponding prior year period. The $1.2 million year-over-year increase was primarily due to the increasing operating leverage observed in product-level performance of GRAFAPEX for fiscal Q1 2027. Operating income for fiscal Q1 2027 was also positively affected by the year-over-year increase in product-level net revenue from IXINITY and Rasuvo, together with the Company's disciplined approach to personnel and infrastructure investments.

- Gross margin of 55.6% and Adjusted Gross Margin* of 63.8% for the three-month period ended June 30, 2026, compared to gross margin of 56.0% and Adjusted Gross Margin* of 65.5% for the corresponding prior year period. The gross margin and Adjusted Gross Margin* decreases are due to the one-time positive impact of royalty revenue on gross margin and Adjusted Gross Margin* for fiscal Q1 2026 - without which gross margin and Adjusted Gross Margin* both would have increased in fiscal Q1 2027 compared to fiscal Q1 2026 due to changes in the relative contribution of product-level net revenue, in particular an increasing level of net sales of GRAFAPEX.

- Net income of $0.5 million for the three-month period ended June 30, 2026, which is

consistent with the corresponding prior year period.

- Available liquidity of $5.3 million (June 30, 2026), consisting of cash and cash equivalents of $5.3 million (March 31, 2026 - $6.5 million) and available credit of nil under the revolving facility of the NBC Credit Agreement (March 31, 2026 - $2.5 million).

- Cash used by operating activities of $0.7 million for the three-month period ended June 30, 2026, a decrease of $4.6 million compared to $3.9 million cash provided by operating activities for the corresponding prior year period primarily due to the Company's receipt and payment in fiscal Q1 2027 of a significant number of invoices for ordinary course expenses that had been previously accrued in accordance with IFRS Accounting Standards. 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.*

"Operating cash flow in the first quarter was primarily impacted by the settlement of year-end payables and the associated timing of working capital items," commented Brendon Buschman, Chief Financial Officer of Medexus. "With those obligations now behind us, we are entering the remainder of fiscal year 2027 from a position of financial strength. Supported by Net Debt to Adjusted EBITDA* of 1.18x as of June 30, 2026, we expect to generate meaningful operating cash flow in fiscal year 2027 as GRAFAPEX continues to scale and our portfolio of established products continues to demonstrate its resilience."

Mr. d'Entremont concluded: "We are pleased with the strong start to fiscal 2027. Supported by a resilient portfolio of established products, the continued growth of GRAFAPEX, an exciting new product opportunity in UM171 Cell Therapy in Canada, and a strong financial foundation, we remain focused on disciplined execution, generating cash, and investing in business opportunities that create long-term value."

Operational highlights

Leading products

Hematology and hemato-oncology

- **GRAFAPEX (US):** Medexus achieved $4.9 million of product-level net revenue from GRAFAPEX for the three-month period ended June 30, 2026, relative to the $3.2 million of GRAFAPEX personnel and infrastructure investments discussed below. 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 $4.8 million for fiscal Q1 2027, representing underlying patient demand growth of 23% compared to $3.9 million for fiscal Q4 2026 and 118% compared to $2.2 million for fiscal Q1 2026. (Source: Internal EDI data.) Since launch, wholesaler purchases of GRAFAPEX have exceeded demand by $1.3 million, resulting

in an estimated one month of inventory on hand at June 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 continues to expect that the annual product-level Adjusted Gross Margin* of GRAFAPEX will ultimately be approximately 80%. For fiscal Q1 2027, product-level Adjusted Gross Margin* was slightly higher due to the evolving reimbursement and tariff dynamics for the product.

- **Trecondyv (Canada):** Patient unit demand for Trecondyv remained strong during the 12-month period ended June 30, 2026, which is reflected in the unit demand growth of 40% over the trailing 12-month period ended June 30, 2026. (Source: Hospitals Direct Sales Data, MAT June 2026.) This strong performance reflects successful execution of the Company's initiatives since its September 2021 commercial launch.

- **IXINITY (US):** Patient unit demand in the United States increased by 14% over the trailing 12-month period ended June 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.

Rheumatology and allergy

- **Rasuvo (US):** Patient unit demand for Rasuvo increased by 13% over the trailing 12-month period ended June 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. Based on the Company's ongoing assessments, the July 2025 and April 2026 pharmaceutical tariffs will apply to the Company's imports of Rasuvo at the announced rate of 15%. Medexus does not currently expect the impact of these tariffs on product-level performance to be material.

- **Metoject (Canada):** Patient unit demand for Metoject increased by 5% over the trailing 12-month period ended June 30, 2026. (Source: IQVIA - TSA Monthly Data.) Medexus observed this increase in unit demand notwithstanding 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-month periods ended June 30, 2026 has decreased 55.5% when compared to the corresponding prior year periods. (Source: IQVIA TSA Monthly Data.) Medexus expects that the adverse impact of generic competition is now largely reflected in product-level performance of Rupall, meaning that declines in net sales

and product-level performance of Rupall for future fiscal quarters will be less severe.

Pipeline opportunities

- **UM171 Cell Therapy in 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 UM171 molecule and technology behind Zemcelpro was discovered and developed in Canada by scientists at the Universite de Montreal. The product is used to treat hematological malignancies (blood cancers), such as leukemias and myelodysplasias. 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. Medexus made an initial US$2 million payment to Cordex and has agreed to sponsor the new drug submission seeking Health Canada approval of UM171 Cell Therapy in Canada as Zemcelpro® (dorocubicel).

Other highlights

- **NBC Credit Agreement:** In June 2026, Medexus entered into an amendment to the NBC Credit Agreement, a senior secured credit agreement with National Bank of Canada as administrative agent and lender. The June 2026 amendment provided for a new US$2.6 million letter of credit facility guaranteed by Export Development Canada, thereby providing US$2.5 million of borrowing capacity under the revolving facility of the NBC Credit Agreement that had previously supported letters of credit, among other amendments. Also in June 2026, Medexus borrowed $2.0 million under the delayed draw feature of the term facility of the NBC Credit Agreement to fund the payment due to Cordex upon execution of the June 2026 license and supply agreements for UM171 Cell Therapy in Canada. Subsequent to period end, in July 2026, Medexus entered into a waiver agreement to permit continued repurchases of common shares under its ongoing normal course issuer bid in light of the restrictive covenants under the NBC Credit Agreement.

Additional information

Medexus's financial statements and management's discussion and analysis for fiscal Q1 2027 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 Tuesday, August 11, 2026 to discuss Medexus's results for fiscal Q1 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: 422016

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

https://www.webcaster5.com/Webcast/Page/2010/54355

A replay of the call will be available approximately one hour following the end of the call through Tuesday, August 25, 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: 54355

A replay of the webcast will be available on theInvestors section of Medexus's corporate website until Wednesday, August 11, 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.

Contacts

Ken d'Entremont | CEO, Medexus Pharmaceuticals
Tel: 905-676-0003 | Email: ken.dentremont@medexus.com

Brendon Buschman | CFO, Medexus Pharmaceuticals
Tel: 416-577-6216 | Email: brendon.buschman@medexus.com

Victoria Rutherford | Adelaide Capital
Tel: 480-625-5772 | Email: victoria@adcap.ca

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 commercial launch of GRAFAPEX, and including those regarding the strength and resilience of the Company's portfolio excluding GRAFAPEX; future growth, net revenues, and investments and expenses, including in respect of the commercialization of GRAFAPEX, IXINITY (including the 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; the extent to which the impact of generic competition is reflected in product-level performance of Rupall; 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 by Adjusted EBITDA for a given period ending on that same date, 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)

(Amounts in $ '000s except percentages)		
Three-month periods ended June 30,	**2026**	**2025**
Net income	$ 544	$ 516
Add back:		
Depreciation and amortization (property, equipment, product licenses)	2,413	2,426
Financing costs	1,254	1,406
Income tax expense (recovery)	(43)	99
EBITDA	4,168	4,447
Add back:		
Share-based compensation	153	167
Business combinations payable - unrealized gain on change in fair value	-	(182)
Foreign exchange (gain) loss	359	(581)
Gain on disposal of assets	-	(408)
Adjusted EBITDA	**4,680**	**3,443**
Adjusted EBITDA Margin	**16.4%**	**14.0%**

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

(Amounts in $ '000s except percentages)		
Three-month periods ended June 30,	**2026**	**2025**
Net revenue	28,585	24,615
Cost of sales	12,683	10,841
Gross profit	**15,902**	**13,774**
Gross margin	**55.6%**	**56.0%**
Add back: Amortization of product licenses	2,343	2,356
Adjusted Gross Profit	**18,245**	**16,130**

Adjusted Gross Margin	**63.8%**	**65.5%**

GRAFAPEX

(Amounts in $ '000s except percentages)		
Three-month periods ended June 30,	**2026**	**2025**
Product-level net revenue	4,913	3,013
Product-level cost of sales	1,659	1,518
Product-level gross profit	**3,254**	**1,495**
Product-level gross margin	**66.2%**	**49.6%**
Add back: Product-level amortization of product licenses	1,071	1,071
Product-level Adjusted Gross Profit	**4,325**	**2,566**
Product-level Adjusted Gross Margin	**88.0%**	**85.2%**

Reconciliation of Net Debt

(Amounts in $ '000s)

As at:	**June 30, 2026**	**March 31, 2026**
Current portion of long-term debt	2,393	2,213
Long-term debt	23,861	20,051
	26,254	22,264
Less: Cash and cash equivalents	5,344	6,523
Net Debt	**20,910**	**15,741**

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