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Medexus Announces Preliminary Revenue Results for Second Fiscal Quarter 2023

Quarterly revenue expected to exceed US$27.0 million for quarter ended September 30, 2022, an all-time record

TORONTO and CHICAGO, Oct. 06, 2022 (GLOBE NEWSWIRE) -- Medexus Pharmaceuticals (**Medexus**) (TSX: MDP) (OTCQX: MEDXF) is pleased to announce preliminary estimates of the company's revenue results for the fiscal quarter ended September 30, 2022 (the company's fiscal Q2 2023). All dollar amounts in this press release are in U.S. dollars unless specified otherwise.

Medexus expects to deliver total revenue between $27.0 million and $27.5 million in fiscal Q2 2023. This will represent the strongest fiscal quarter in Medexus's history, and an increase of at least 51% compared to $17.9 million in fiscal Q2 2022 and an increase of at least 17% compared to $23.0 million in fiscal Q1 2023. Primary drivers for the most recent quarter's revenue performance were organic increases in net sales across Medexus's portfolio, which now includes recognition of 100% of revenue from Gleolan sales in the United States starting September 2022. Key highlights expected include the following –

- **IXINITY**: Positive trend in sales, reflecting new patient conversions on top of a stable, existing base of patients.
- **Rasuvo**: Continued strong performance, maintaining the product's leading position in the moderately-growing U.S. branded methotrexate market with a limited sales force allocation.
- **Rupall**: Continued demand growth, reflecting the peak of Canada's allergy season during the quarter and successful execution of the company's sales and marketing initiatives, and sustaining the product's strong performance over the five years since launch.
- **Gleolan**: Continued U.S. sales performance in line with expectations, reflecting successful execution of a seamless transition to full U.S. commercial responsibility and putting Medexus in position to successfully execute its commercial plan, including improved sales and marketing initiatives.

"We remain focused on delivering strong revenue growth and improved overall performance across our portfolio of products in both the United States and Canada, and we are very pleased with the continued strength and stability we have seen in our base business," commented Ken d'Entremont, Chief Executive Officer of Medexus. "IXINITY sales have normalized and are now in line with patient demand. With the manufacturing improvements Medexus and our contract manufacturer have been undertaking, we continue to expect operational efficiencies going forward. We also continue to see strong performance in the

rest of our portfolio, particularly Rasuvo and Rupall."

Mr d'Entremont continued: "We have also now assumed full responsibility for commercializing Gleolan in the United States. We began shipping Medexus-labeled product to customers across the country in August, meaning that September 2022 will be the first full month, and fiscal Q3 2023 the first full fiscal quarter, in which Medexus recognizes 100% of Gleolan net sales. Gleolan sales since March 2022, when we acquired exclusive U.S. commercialization rights to the product, have been in line with our expectations, and we expect to continue that strong performance over the coming months."

"We were pleased to extend our partnership with MidCap recently, which bolsters our liquidity position as we head into our third fiscal quarter," added Marcel Konrad, Chief Financial Officer of Medexus. "We appreciate our lenders' continued support as we focus on delivering strong revenue growth and improved overall performance in our business."

The expected results discussed in this press release are preliminary estimates, as Medexus's financial closing procedures remain subject to completion, and have not been reviewed by the company's auditors. Accordingly, the final reported results may diverge from these estimates.

About Medexus

Medexus is a leader in innovative rare disease treatment solutions with a strong North American commercial platform and a portfolio of proven best-in-class products. Our current focus is on the therapeutic areas of hematology, auto-immune diseases, and allergy. We continue to build a highly differentiated company with a growing portfolio of innovative and high-value orphan and rare disease products that will underpin our growth for the next decade.

Our current leading products are IXINITY®, an intravenous recombinant factor IX therapeutic for use in patients 12 years of age or older with Hemophilia B (a hereditary bleeding disorder characterized by a deficiency of clotting factor IX in the blood, which is necessary to control bleeding); Rasuvo™ and Metoject®, a unique formulation of methotrexate (auto-pen and pre-filled syringe) designed to treat rheumatoid arthritis and other auto-immune diseases; and Rupall®, an innovative prescription allergy medication with a unique mode of action. We also hold exclusive US and Canadian rights to commercialize Gleolan™ (aminolevulinic acid hydrochloride or ALA HCl), an FDA-approved, orphan drug designated optical imaging agent currently indicated in patients with glioma (suspected World Health Organization Grades III or IV on preoperative imaging) as an adjunct for the visualization of malignant tissue during surgery.

We have also licensed treosulfan, part of a preparative regimen for allogeneic hematopoietic stem cell transplantation to be used in combination with fludarabine, for commercialization in the United States and Canada. Treosulfan was approved by Health Canada in June 2021 and is marketed in Canada as Trecondyv®. Treosulfan is currently the subject of a regulatory review process with the U.S. Food and Drug Administration.

Our mission is to provide the best healthcare products to healthcare professionals and patients. We strive to deliver on this mission by acting on our core values: Quality, Innovation, Customer Service, and Collaboration.

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Forward-looking statements

Certain statements made in this press release contain, and statements made in the webcast discussed in this press release may 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 or expressions are often intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Specific forward-looking statements contained in this news release include, but are not limited to, statements regarding Medexus's expected revenue for fiscal Q2 2023, business strategy, outlook, and other expectations regarding financial or operational performance (including operational efficiencies expected to result from manufacturing improvements); Medexus's expectations regarding availability of funds from operations, cash flow generation, and capital allocation; and Medexus's anticipated cash needs, capital requirements, and needs for 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 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; future capital requirements and dilution; intellectual property protection and infringement risks; competition (including potential for generic competition); reliance on key management personnel; Medexus's ability to implement its business plan; Medexus's ability to leverage its U.S. and

Canadian infrastructure to promote additional growth; regulatory approval by relevant health authorities, including the FDA; product reimbursement by third party payers; litigation or expiry with respect to patents or other intellectual property rights; litigation risk; stock price volatility; government regulation; and potential third party claims. Given these risks, undue reliance should not be placed on these forward-looking statements, which are made only as of the date hereof. Other than as specifically required by law, Medexus undertakes no obligation to update any forward-looking statements to reflect new information, subsequent or otherwise.

Trademarks and trade names

This press release contains references to trademarks and service marks, including those belonging to other companies, persons, or entities. Solely for convenience, trademarks and trade names referred to in this document may appear without the "®" or "™" 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 of the relevant intellectual property rights will not assert, to the fullest extent under applicable law, its rights to these trademarks and trade names.

Source: Medexus Pharmaceuticals Inc