OFFER INFORMATION STATEMENT DATED 24 JUNE 2016

(Lodged with the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), acting as agent on behalf of the Monetary Authority of Singapore (the "**Authority**"), on 24 June 2016)

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX, OR OTHER PROFESSIONAL ADVISER(S).

The securities offered are issued by iX Biopharma Ltd. (the "**Company**"), an entity whose shares are listed for quotation on Catalist (as defined herein).

Companies listed on Catalist may carry higher investment risk when compared with larger or more established companies listed on the Main Board of the SGX-ST. In particular, companies may list on Catalist without a track record of profitability and there is no assurance that there will be a liquid market in the securities traded on Catalist. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser.

This offer is made in or accompanied by an offer information statement (the "**Offer Information Statement**"), together with copies of the Application Form for Rights Shares and Excess Rights Shares (the "**ARE**"), the Application Form for Rights Shares (the "**ARS**") and the Provisional Allotment Letter (the "**PAL**"), which has been lodged with the SGX-ST, acting as agent on behalf of the Authority. Neither the Authority nor the SGX-ST has examined or approved the contents of this Offer Information Statement. Neither the Authority nor the SGX-ST assumes any responsibility for the contents of this Offer Information Statement, the ARE, the ARS and the PAL, including the correctness or accuracy of any of the statements or opinions made in this Offer Information Statement. Neither the Authority nor the SGX-ST has in any way considered the merits of the Rights Shares (as defined herein) being offered for investment. The lodgement of this Offer Information Statement with the SGX-ST, acting as agent of the Authority, does not imply that the Securities and Futures Act, Chapter 289 of Singapore, or any other legal or regulatory requirements, or requirements under the SGX-ST's listing rules, have been complied with.

The Company intends to list the Rights Shares, and an application has been made for permission for the same to be listed and quoted on Catalist. A listing and quotation notice has been obtained from the SGX-ST on 14 June 2016 for the listing of and quotation for the Rights Shares on Catalist, subject to the Company's compliance with the SGX-ST's listing requirements. The listing and quotation notice granted by the SGX-ST is not to be taken as an indication of the merits of the Rights Issue (as defined herein), the Rights Shares, the Company, its subsidiaries (as defined herein) and/or their securities. The Rights Shares will be admitted to Catalist and official quotation will commence after all conditions imposed by the SGX-ST are satisfied, the certificates for the Rights Shares have been issued and the notification letters from The Central Depository (Pte) Limited ("**CDP**") have been despatched.

Acceptance of applications will be conditional upon issue of the Rights Shares and upon listing of and quotation for the Rights Shares on Catalist. Monies paid in respect of any application accepted will be returned if the listing of and quotation for the Rights Shares does not proceed.

After the expiration of six months from the date of lodgement of this Offer Information Statement, no person shall make an offer of Rights Shares, or allot, issue or sell any Rights Shares, on the basis of this Offer Information Statement; and no officer or equivalent person or promoter of our Company will authorise or permit the offer of any Rights Shares or the allotment, issue or sale of any Rights Shares, on the basis of this Offer Information Statement. Your attention is drawn to the section titled "Risk Factors" of this Offer Information Statement, which you should review.

This Offer Information Statement has been prepared solely in relation to the Rights Issue and shall not be relied upon by any person for any other purpose.

This Offer Information Statement has been prepared by our Company and its contents have been reviewed by our Company's sponsor, CIMB Bank Berhad, Singapore Branch (the "**Sponsor**"), for compliance with the relevant rules of the SGX-ST. The Sponsor has given its written consent to the inclusion herein of its name in the form and context in which it appears in this Offer Information Statement. The Sponsor has not independently verified the contents of this Offer Information Statement. This Offer Information Statement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this Offer Information Statement, including the correctness of any of the statements or opinions made or reports contained in this Offer Information Statement.

The contact person for the Sponsor is Mr. Tony Toh, Director, Investment Banking, CIMB Bank Berhad, Singapore Branch, at 50 Raffles Place, #09-01 Singapore Land Tower, Singapore 048623, telephone: +65 6337 5115.

IX BIOPHARMA LTD.

(Company Registration No.: 200405621W)
(Incorporated in the Republic of Singapore on 8 May 2004)

RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 24,584,284 NEW ORDINARY SHARES IN THE CAPITAL OF OUR COMPANY (THE "RIGHTS SHARES") AT AN ISSUE PRICE OF S$0.21 FOR EACH RIGHTS SHARE, ON THE BASIS OF ONE RIGHTS SHARE FOR EVERY 25 EXISTING ORDINARY SHARES IN THE CAPITAL OF OUR COMPANY HELD BY ENTITLED SHAREHOLDERS (AS DEFINED HEREIN) AS AT THE BOOKS CLOSURE DATE (AS DEFINED HEREIN), FRACTIONAL ENTITLEMENTS TO BE DISREGARDED (THE "RIGHTS ISSUE")

IMPORTANT DATES AND TIMES

Last date and time for splitting and trading of "nil-paid" rights	:	8 July 2016 at 5.00 p.m.
Last date and time for acceptance of and payment for Rights Shares	:	14 July 2016 at 5.00 p.m. (or 9.30 p.m. for Electronic Applications (as defined herein))
Last date and time for acceptance of and payment for Rights Shares by renouncees	:	14 July 2016 at 5.00 p.m.
Last date and time for application of and payment for Excess Rights Shares (as defined herein)	:	14 July 2016 at 5.00 p.m. (or 9.30 p.m. for Electronic Applications)

IMPORTANT NOTICE

Capitalised terms used in this section which are not otherwise defined below shall have the same meanings as are ascribed to them under the section titled "Definitions" of this Offer Information Statement.

For Entitled Depositors (which excludes Entitled Scripholders and investors who hold Shares through finance companies or Depository Agents), acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares may be made through CDP or by way of Electronic Application at any ATM of a Participating Bank.

For Entitled Scripholders, acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares may be made through the Share Registrar.

For investors who hold Shares through finance companies or Depository Agents, acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares must be done through their respective finance companies or Depository Agents. Such investors are advised to provide their respective finance companies or Depository Agents, as the case may be, with the appropriate instructions early in order for such intermediaries to make the relevant acceptances of the Rights Shares and (if applicable) applications for Excess Rights Shares on their behalf by the Closing Date. For such investors, any acceptance of the Rights Shares and/or (if applicable) application for Excess Rights Shares made directly through CDP, the Share Registrar, by way of Electronic Application at any ATM of a Participating Bank and/or the Company will be rejected.

For renouncees of Entitled Shareholders or Purchasers whose purchases are settled through finance companies or Depository Agents, acceptances of the Rights Shares represented by the provisional allotment of Rights Shares purchased must be done through the respective finance companies or Depository Agents, as the case may be. Such renouncees and Purchasers are advised to provide their respective finance companies or Depository Agents, as the case may be, with the appropriate instructions early in order for such intermediaries to make the relevant acceptances of the Rights Shares on their behalf by the Closing Date. Any acceptance of the Rights Shares made directly through CDP, the Share Registrar, by way of Electronic Application at any ATM of a Participating Bank and/or the Company will be rejected.

The existing Shares are listed and quoted on Catalist.

Persons wishing to subscribe for the Rights Shares offered by this Offer Information Statement should, before deciding whether to so subscribe, carefully read this Offer Information Statement in its entirety in order to make an informed assessment of, among others, the assets and liabilities, profits and losses, financial position, risk factors, performance and prospects of the Company and the Group and the rights and liabilities attaching to the Rights Shares. They should also make their own independent enquiries and investigations of any bases and assumptions upon which financial projections, if any, are made or are based, and carefully consider this Offer Information Statement in the light of their personal circumstances (including financial and taxation affairs). It is recommended that such persons seek professional advice from their legal, financial, tax or other professional adviser(s) before deciding whether to acquire the Rights Shares or invest in our Company.

No person has been authorised to give any information or to make any representations, other than those contained in this Offer Information Statement, in connection with the Rights Issue and, if given or made, such information or representations must not be relied upon as having been authorised by the Company.

Save as expressly stated in this Offer Information Statement, nothing contained herein is, or may be relied upon as, a promise or representation as to the future performance or policies of the Company and/or the Group. Neither the delivery of this Offer Information Statement nor any offer of or the issue of the Rights Shares shall, under any circumstances, constitute a continuing representation, or give rise to any implication, that there has been no material change in the affairs of the Company or the Group, or any of the information contained herein since the date hereof. Where such changes occur after the date hereof and are material, or are required to be disclosed by law and/or the SGX-ST, the Company may

make an announcement of the same via SGXNET, and if required, lodge a supplementary or replacement document with the SGX-ST, acting as agent on behalf of the Authority. All Entitled Shareholders and their renouncees should take note of any such announcement and, upon the release of such announcement or lodgement of such supplementary or replacement document, as the case may be, shall be deemed to have notice of such a change.

None of the Company, the Group, nor any of their directors, officers, employees, agents, representatives or advisers is making any representation to any person regarding the legality of an investment in the Rights Shares and/or the Shares by such person under any investment or any other laws or regulations. No information in this Offer Information Statement should be considered to be business, legal or tax advice. Each prospective subscriber should consult his own professional or other adviser(s) for business, legal or tax advice regarding an investment in the Rights Shares and/or the Shares.

None of the Company, the Group, nor any of their directors, officers, employees, agents, representatives or advisers makes any representation, warranty or recommendation whatsoever as to the merits of the Rights Issue, the Rights Shares, the Shares, the Company, the Group or any other matter related thereto or in connection therewith. Nothing in this Offer Information Statement or its accompanying documents shall be construed as a recommendation to accept and/or purchase the Rights Shares, and/or the Shares. Each prospective subscriber of the Rights Shares should rely on his own investigation of the financial condition and affairs of the Company and the Group as well as his own appraisal and determination of the merits of investing in the Company and the Group and shall be deemed to have done so.

This Offer Information Statement and its accompanying documents have been prepared solely for the purpose of the acceptance and subscription of the Rights Shares under the Rights Issue and may not be relied upon by any person for any other purpose.

This Offer Information Statement and its accompanying documents may not be used for the purpose of, and do not constitute, an offer to, invitation to or solicitation by anyone in any jurisdiction or under any circumstance in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation.

The distribution of this Offer Information Statement and/or its accompanying documents may be prohibited or restricted by law (either absolutely or subject to various securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of these jurisdictions. Entitled Shareholders, their renouncees, purchasers of the provisional allotments of Rights Shares or any persons having possession of this Offer Information Statement and/or its accompanying documents are advised to keep themselves informed of and observe such prohibitions and restrictions at their own expense and without liability to the Company.

For the avoidance of doubt, the Sponsor has not independently verified the contents of this Offer Information Statement and is not making any representation to any person regarding the accuracy and completeness of the information set out in this Offer Information Statement.

IMPORTANT NOTICE TO INVESTORS WHO HOLD SHARES THROUGH A FINANCE COMPANY AND/OR DEPOSITORY AGENT

Investors who hold Shares through a finance company and/or Depository Agent can only accept their provisional allotment of Rights Shares and/or (if applicable) apply for Excess Rights Shares by instructing the relevant finance company and/or Depository Agent to do so on their behalf in accordance with this Offer Information Statement.

ANY APPLICATION MADE DIRECTLY BY THE ABOVEMENTIONED INVESTORS TO CDP, THE SHARE REGISTRAR, THE COMPANY OR BY WAY OF ELECTRONIC APPLICATION THROUGH THE ATMS OF PARTICIPATING BANKS WILL BE REJECTED.

The abovementioned investors, where applicable, will receive notification letters from their respective finance companies and/or Depository Agents and should refer to such notification letters for details of the last date and time to submit acceptances and/or applications to their respective finance companies and/or Depository Agents.

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CORPORATE INFORMATION

BOARD OF DIRECTORS	:	Eddy Lee Yip Hang (Chairman and CEO) Albert Ho Shing Tung (Non-Executive Director) Ko Kheng Hwa (Lead Independent Director) Low Weng Keong (Independent Director) Claudia Teo Kwee Yee (Independent Director)
COMPANY SECRETARIES	:	Lee Wei Hsiung (ACIS) Wang Shin Lin, Adeline (ACIS)
REGISTERED OFFICE	:	350 Orchard Road #16-10 Shaw House Singapore 238868
SHARE REGISTRAR	:	Tricor Barbinder Share Registration Services (A division of Tricor Singapore Pte. Ltd.) 80 Robinson Road #02-00 Singapore 068898
SPONSOR	:	CIMB Bank Berhad, Singapore Branch 50 Raffles Place #09-01 Singapore Land Tower Singapore 048623
LEGAL ADVISER TO THE RIGHTS ISSUE	:	WongPartnership LLP 12 Marina Boulevard Level 28 Marina Bay Financial Centre Tower 3 Singapore 018982
RECEIVING BANKER	:	United Overseas Bank Limited 80 Raffles Place UOB Plaza 1 Singapore 048624

For the purposes of this Offer Information Statement, the PAL, the ARE and the ARS, the following definitions shall apply throughout unless the context otherwise requires or unless otherwise stated.

Group Companies and Entities

"**AP Trust**"	:	Arrow Property Trust
"**CAPL**"	:	Chemical Analysis Pty Ltd
"**CAT**"	:	Chemical Analysis Trust
"**Company**"	:	iX Biopharma Ltd.
"**Group**"	:	Our Company and our subsidiaries
"**iX Australia**"	:	iX Biopharma Pty Ltd
"**KMPL**"	:	Kaizen Manufacturing Pty Ltd
"**Syrinx**"	:	Syrinx Pharmaceuticals Pty Ltd

Other Corporations and Agencies

"**APPL**"	:	Anson Properties Pte. Ltd.
"**Authority**"	:	Monetary Authority of Singapore
"**CDP**"	:	The Central Depository (Pte) Limited
"**CMS**"	:	The Centers for Medicare & Medicaid Services of the US
"**CPF**"	:	Central Provident Fund
"**DEA**"	:	US Drug Enforcement Administration
"**FDA**"	:	US Food and Drug Administration
"**HRT Corporation**"	:	HRT Corporation Pte. Ltd.
"**JN Entities**"	:	Wetwaters 8, JN Family Investments and Narulla One
"**JN Family Investments**"	:	Jaspal Narulla Family Investments Pte. Ltd.
"**Narulla One**"	:	Narulla One (S) Pte. Ltd.
"**Participating Banks**"	:	The banks that will be participating in the Rights Issue by making available their ATMs to Entitled Depositors and Purchasers, for acceptances of Rights Shares and applications for Excess Rights Shares, as the case may be, to be made under the Rights Issue, namely DBS Bank Ltd. (including POSB), Oversea-Chinese Banking Corporation Limited and United Overseas Bank Limited and its subsidiary, Far Eastern Bank Limited
"**SGX-ST**"	:	Singapore Exchange Securities Trading Limited
"**Share Registrar**"	:	Tricor Barbinder Share Registration Services
"**SIC**"	:	Securities Industry Council of Singapore

"**Sponsor**"	:	CIMB Bank Berhad, Singapore Branch
"**TGA**"	:	Therapeutic Goods Administration of Australia
"**WATAG**"	:	Western Australia Therapeutic Advisory Group
"**Wetwaters 8**"	:	Wetwaters 8 (S) Pte. Ltd.

General

"**6M**"	:	The six-month financial period ended or ending 31 December, as the case may be
"**9M**"	:	The nine-month financial period ended or ending 31 March, as the case may be
"**Announcement**"	:	The announcement released by our Company on 27 May 2016 in relation to the Rights Issue
"**ARE**"	:	Application Form for Rights Shares and Excess Rights Shares to be issued to Entitled Depositors in respect of their provisional allotments of Rights Shares under the Rights Issue
"**ARS**"	:	Application Form for Rights Shares to be issued to Purchasers in respect of their acceptance of Rights traded on Catalist during the Rights Trading Period through the book-entry (scripless) settlement system
"**ARTG**"	:	The Australian Register of Therapeutic Goods
"**ATM**"	:	Automated teller machine
"**Australia**"	:	The Commonwealth of Australia
"**Books Closure Date**"	:	5.00 p.m. on 24 June 2016, being the time and date at and on which the register of members and share transfer books of the Company will be closed to determine the provisional allotments of Entitled Shareholders under the Rights Issue
"**Business Day**"	:	A day (other than a Saturday, Sunday or public holiday) on which commercial banks, the SGX-ST, CDP and the Share Registrar are open for business in Singapore
"**Catalist**"	:	The sponsor-supervised listing platform of the SGX-ST
"**Catalist Rules**"	:	The SGX-ST Listing Manual Section B: Rules of Catalist, as may be amended, modified or supplemented from time to time
"**CEO**"	:	The chief executive officer of our Company as at the date of this Offer Information Statement
"**Closing Date**"	:	(i) 5.00 p.m. on 14 July 2016 (or such other time and/or date as may be announced from time to time by or on behalf of the Company), being the last time and date for acceptance of Rights Shares and/or application for Excess Rights Shares and payment, and for

		renunciation of and payment for Rights Shares under the Rights Issue through CDP or the Share Registrar; or (ii) 9.30 p.m. on 14 July 2016 (or such other time and/or date as may be announced from time to time by or on behalf of the Company), being the last time and date for acceptance of Rights Shares and/or application for Excess Rights Shares and payment, and for renunciation of and payment for Rights Shares under the Rights Issue by way of Electronic Application at any ATM of a Participating Bank
"**Code**"	:	The Singapore Code on Take-overs and Mergers, as may be amended or modified from time to time
"**Companies Act**"	:	The Companies Act, Chapter 50 of Singapore, as may be amended or modified from time to time
"**Controlled Substances Act**"	:	The Controlled Substances Act of the US, as may be amended or modified from time to time
"**Controlling Shareholder**"	:	Has the meaning ascribed to it in the Catalist Rules
"**Directors**"	:	The directors of our Company as at the date of this Offer Information Statement
"**Electronic Application**"	:	Acceptance of the Rights Shares and (if applicable) application for Excess Rights Shares made through an ATM of a Participating Bank in accordance with the terms and conditions of this Offer Information Statement and the relevant procedures for electronic application through an ATM as set out in this Offer Information Statement or on the screen of the ATM
"**Enlarged Issued Share Capital**"	:	The enlarged issued and paid-up share capital of the Company comprising 639,191,391 Shares immediately after completion of the Rights Issue, assuming that the Rights Issue is fully subscribed
"**Entitled Depositors**"	:	Shareholders with Shares standing to the credit of their Securities Accounts and whose registered addresses with CDP are in Singapore as at the Books Closure Date or who had, at least three Market Days prior to the Books Closure Date, provided CDP with addresses in Singapore for the service of notices and documents
"**Entitled Scripholders**"	:	Shareholders whose share certificates have not been deposited with CDP and who have tendered to the Share Registrar valid transfers of their Shares and the certificates relating thereto for registration up to the Books Closure Date and whose registered addresses with the Company are in Singapore as at the Books Closure Date or who had, at least three Market Days prior to the Books Closure Date, provided the Share Registrar with addresses in Singapore for the service of notices and documents
"**Entitled Shareholders**"	:	Entitled Depositors and Entitled Scripholders, collectively

"**Existing Issued Share Capital**"	:	The existing issued and paid-up share capital of the Company comprising 614,607,107 Shares as at the Latest Practicable Date
"**Excess Rights Shares**"	:	The excess provisional allotments of Rights Shares not initially taken up by an Entitled Shareholder or Purchaser that may be applied for by another Entitled Shareholder, which are in excess of the number of Rights Shares provisionally allotted to such other Entitled Shareholder
"**Executive Officers**"	:	The executive officers of our Group as at the date of this Offer Information Statement
"**FD&C Act**"	:	The Federal Food, Drug, and Cosmetic Act of the US, as may be amended or modified from time to time
"**Foreign Purchasers**"	:	Persons purchasing Rights during the Rights Trading Period through the book-entry (scripless) settlement system whose registered addresses with CDP are outside Singapore
"**Foreign Shareholders**"	:	Shareholders with registered addresses outside Singapore as at the Books Closure Date and who have not, at least three Market Days prior to the Books Closure Date, provided CDP or the Share Registrar, as the case may be, with addresses in Singapore for the service of notices and documents
"**FY**"	:	Financial year ended or ending 30 June, as the case may be
"**Initial Public Offering**"	:	The admission to, listing of and quotation for the entire issued share capital of our Company, including the 1,000,000 Shares that were issued by way of public offer to the public in Singapore at an issue price of S$0.46 per Share, and the 64,500,000 Shares that were issued by way of placement at an issue price of S$0.46 per Share, on Catalist on 22 July 2015
"**Issue Price**"	:	The issue price of the Rights Shares, being S$0.21 for each Rights Share
"**iX Employee Share Option Scheme**"	:	The employee share option scheme approved by our Shareholders and adopted by our Company on 17 June 2015, which allows for participation by employees of our Group and directors of our Group (including non-executive directors and independent directors) in the equity of our Company, and to give recognition to those who have contributed significantly to the growth and performance of the Company and/or our Group
"**iX Performance Share Plan**"	:	The performance share plan approved by our Shareholders and adopted by our Company on 17 June 2015, which allows for participation by selected employees of our Group in the equity of our Company
"**Latest Practicable Date**"	:	20 June 2016, being the latest practicable date preceding the lodgement of this Offer Information Statement with the SGX-ST, acting as agent on behalf of the Authority

"**Market Day**"	:	A day on which the SGX-ST is open for trading in securities
"**Net Proceeds**"	:	The estimated amount of proceeds from the Rights Issue after deducting professional fees and related expenses incurred in connection with the Rights Issue
"**Offer Information Statement**"	:	This document together with (where the context requires) the ARE, the ARS and the PAL and all other accompanying documents, including any supplementary or replacement document which may be issued by our Company in relation to the Rights Issue
"**PAL**"	:	Provisional allotment letter to be issued to an Entitled Scripholder in respect of the provisional allotment of Rights Shares of such Entitled Scripholder under the Rights Issue
"**Poisons Standard 2015**"	:	The Poisons Standard 2015 of Australia, as may be amended or modified from time to time
"**Pre-Split Shares**"	:	The Shares in our Company in issue immediately prior to the Sub-division
"**Purchasers**"	:	Persons purchasing the provisional allotments of Rights Shares traded on Catalist through the book-entry (scripless) settlement system
"**Relevant Persons**"	:	The persons to whom the Share Acquisition Rights have been granted, as more particularly described in paragraph 9(c) in the section titled "Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 – Part IV – Key Information" of this Offer Information Statement
"**Rights**"	:	The "nil-paid" rights to subscribe for one Rights Share for every 25 existing Shares held by Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded (as evidenced by the provisional allotment of Rights Shares)
"**Rights Issue**"	:	The proposed renounceable non-underwritten rights issue by our Company on the terms and conditions of this Offer Information Statement of up to 24,584,284 Rights Shares at the Issue Price, on the basis of one Rights Share for every 25 existing Shares held by Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded
"**Rights Shares**"	:	Up to 24,584,284 new Shares to be allotted and issued by our Company pursuant to the Rights Issue, assuming the Rights Issue is fully subscribed
"**Rights Trading Period**"	:	The period from 29 June 2016 to 8 July 2016, during which Entitled Depositors who wish to trade all or part of their Rights on Catalist may do so

"**Scientific Advisory Board**"	:	A board established by our Company as an additional scientific and technical resource for our management team, comprising industry experts with knowledge of our target markets
"**Securities Account**"	:	A securities account maintained by a Depositor with CDP (but does not include a securities sub-account maintained with a Depository Agent)
"**SFA**"	:	Securities and Futures Act, Chapter 289 of Singapore, as may be amended or modified from time to time
"**SFR**"	:	Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005, as may be amended or modified from time to time
"**SGXNET**"	:	Singapore Exchange Network, the corporate announcement system maintained by the SGX-ST for the submission of announcements by listed companies
"**SGX-ST**"	:	Singapore Exchange Securities Trading Limited
"**Share Acquisition Rights**"	:	The rights to subscribe for or be issued Shares, and/or the option to acquire Shares, which had been granted to the Relevant Persons, as more particularly described in paragraph 9(c) in the section titled "Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 – Part IV – Key Information" of this Offer Information Statement
"**Shareholders**"	:	Registered holders of Shares in the register of members of the Company, except that where the registered holder is CDP, the term "**Shareholders**" shall, in relation to such shares and where the context admits, mean the Depositors whose Securities Accounts are credited with those Shares
"**Shares**"	:	Ordinary shares in the capital of our Company
"**Sub-division**"	:	The sub-division of 52,469,422 Shares in issue into 524,694,220 post-split Shares on the basis of every one Share into ten Shares, which shall rank *pari passu* with each other, as approved by our Shareholders at an extraordinary general meeting held on 17 June 2015
"**Substantial Shareholder**"	:	Has the meaning ascribed to it in Section 81 of the Companies Act
"**TGR**"	:	Therapeutic Goods Regulations 1990 (Cth) of Australia, as may be amended or modified from time to time
"**Undertakings**"	:	The three irrevocable undertakings dated 25 May 2016, 23 May 2016 and 27 May 2016 given by Mr. Eddy Lee Yip Hang, Mr. Tan See Tee and Mr. Jaspal Singh Narulla respectively to the Company, details of which are set out in paragraph 1(f) in the section titled "Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 – Part X – Additional Information Required for Offer of Securities by way of Rights Issue" of this Offer Information Statement

"**Undertaking Shareholders**"	:	Mr. Eddy Lee Yip Hang, Mr. Tan See Tee and Mr. Jaspal Singh Narulla
"**US**" or "**United States**"	:	United States of America

Currencies, Units and Others

"**A$**" or "**AUD**"	:	Australian dollars
"**g**"	:	Gram(s)
"**mcg**"	:	Microgram(s)
"**mg**"	:	Milligram(s)
"**S$**" or "**SGD**" and "**cents**"	:	Singapore dollars and cents respectively
"**USD**"	:	United States dollars
"**%**" or "**per cent.**"	:	Per centum or percentage

The terms "**Depositor**", "**Depository Agent**" and "**Depository Register**" shall have the meanings ascribed to them, respectively, in Section 81SF of the SFA.

The term "**subsidiary**" shall have the meaning ascribed to it in Section 5 of the Companies Act.

The term "**acting in concert**" shall have the meaning ascribed to it in the Code.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall, where applicable, include corporations.

The headings in this Offer Information Statement are inserted for convenience only and shall be ignored in construing this Offer Information Statement.

Any reference in this Offer Information Statement to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any term defined under the Companies Act, the SFA, the SFR, the Code or the Catalist Rules or any amendment or modification thereof and used in this Offer Information Statement shall, where applicable, have the meaning assigned to it under the Companies Act, the SFA, the SFR, the Code or the Catalist Rules or such amendment or modification thereof, as the case may be, unless otherwise provided.

Any reference to a date or time of day in this Offer Information Statement shall be a reference to Singapore date and time unless otherwise stated. Any reference to a date or time of day in this Offer Information Statement in relation to the Rights Issue (including, but not limited to, the Closing Date and the last dates and times for acceptance and payment, renunciation and payment, and excess application and payment) shall include such other date(s) and/or time(s) as may be announced from time to time by or on behalf of the Company.

References in this Offer Information Statement to "**we**", "**our**" and "**us**" refer to the Group.

References in this Offer Information Statement to "**Claudia Teo Kwee Yee**" refer to Teo Kwee Yee.

Any discrepancies in figures included in this Offer Information Statement between the amounts listed and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Offer Information Statement may not be an arithmetic aggregation of the figures that precede them.

Any reference to an "**announcement**" of or by our Company in this Offer Information Statement includes announcements by our Company posted on the SGX-ST's website at http://www.sgx.com.

Unless we indicate otherwise, all information in this Offer Information Statement is presented on the basis of our Group.

TRADEMARKS

We refer to a number of trademarked items in this Offer Information Statement. For your convenience, we are identifying each such item with an appropriate trademark designation, and listing them for your attention:

WaferiX™; Wafermine™; Wafernyl™; PheoniX™; and Viagra®

GLOSSARY OF TECHNICAL TERMS

To facilitate a better understanding of the business of our Group, the following glossary provides a description (which should not be treated as being definitive of their meanings) of some of the technical terms and abbreviations used in this Offer Information Statement relating to our business. The terms and their assigned meanings may not correspond to standard industry meanings or usage of these terms:

"**acute pain**"	:	Pain of any intensity from mild to severe, with an anticipated or predictable end and a duration of generally less than three months, generally caused by traumatic injury, surgical procedures or medical disorders
"**anaesthetic**"	:	Local or general loss of bodily sensation, especially of touch
"**analgesic**"	:	Drugs which reduce or prevent pain without loss of consciousness
"**ANDA**"	:	Abbreviated New Drug Application, an application to the FDA for approval to market a drug product that has the same active ingredients in the same strengths and dosage form as a listed drug and has been shown to be bioequivalent to the listed drug. ANDA applicants are not required to conduct or submit results of pre-clinical or clinical tests to prove the safety or effectiveness of their drug product, but are required to conduct bioequivalence testing, which compares the bioavailability of their drug product to that of the listed drug to confirm chemical and therapeutic equivalence
"**bioavailability**"	:	The fraction of an administered dose that reaches the systemic circulation in unchanged form. Generally, the higher the bioavailability of drug for a patient, the more effective the drug for a given dose
"**bioequivalence**" **or** "**bioequivalent**"	:	The absence of a significant difference in the rate and extent to which the active ingredient in pharmaceutical alternatives becomes available at the site of drug action when administered at the same molar dose under similar conditions in an appropriately designed study
"**breakthrough pain**"	:	A short, intensive period of pain that occurs in addition to an otherwise stable, long-term pain treated by opioids
"**bunionectomy**"	:	A surgical procedure to remove a bunion (an enlargement of the joint comprising of bone and soft tissue) at the base of the big toe
"**CRO**"	:	Contract research organisations, which conduct and oversee clinical trials on behalf of the sponsoring companies
"**drug delivery**"	:	The approach, formulation or technology for delivering a pharmaceutical compound into the body as needed to safely achieve its therapeutic effect
"**endotoxin**"	:	A component of bacterial cell membrane of certain Gram-negative bacteria responsible for causing a fever response

"**essential similarity**"	:	A claim that a medicinal product is essentially similar to an original product, such that it satisfies the criteria of having the same qualitative and quantitative composition as the original product in terms of active substances, of having the same pharmaceutical form as the original product, and of being bioequivalent to the original product
"**fentanyl**"	:	Fentanyl citrate, an opioid used mainly within anaesthesia and analgesia. Fentanyl is the active ingredient incorporated in our Wafernyl product
"**GMP**"	:	Good Manufacturing Practice, the quality assurance standards which ensure that products are consistently produced and controlled during manufacture to ensure that they meet the identity, strength, quality and purity characteristics that they are purported or represented to possess
"**ketamine**"	:	Ketamine hydrochloride, a general anaesthetic that does not impair spontaneous respiration, widely used in out-of-hospital emergencies, disaster situations and third world countries. Ketamine is the active ingredient incorporated in our Wafermine product
"**NDA**"	:	New Drug Application, an application to the relevant regulatory agencies for marketing approval of a drug
"**neuropathic pain**"	:	Pain that comes from problems with signals from the nerves
"**opioid**"	:	Natural derivative of opium or synthetic psychoactive substance that has similar pharmacological effects to morphine or is capable of conversion into a drug having such effects
"**pharmacokinetic**"	:	The process by which a pharmaceutical is absorbed, distributed, metabolised and eliminated by the body
"**Phase**"	:	Categories for describing the phases of clinical drug development, each differing in their strategic objective as well as size and scope. Evaluation of the results of each phase are usually required to justify the next phase of investment in the drug. A new pharmaceutical drug development programme would typically comprise between two to ten Phase 1 studies, some of which are performed concurrently with the Phase 2 or 3 programme, two to three Phase 2 studies, and two Phase 3 studies For products which are new formulations of existing licensed medications, some shortening or omission may be acceptable. However, in each case it will be necessary for regulatory authorities to agree that such data are not required, with the default position being that the data are required

The three phases of drug development which typically apply to the development of a new pharmaceutical drug are:

"**Phase 1**": Studies that aim to determine whether the drug has suitable characteristics for further development and also to assist in narrowing down the range of doses to be tested in further studies. The goal is to find out how well the drug is absorbed in the body, how long the drug stays in the body, which parts of the body are responsible for handling the drug, whether there is any evidence that the drug engages with the targeted mechanism and the adverse effect profile of the drug. Separate studies are usually required for single-dose and multiple dose administration. Since Phase 1 studies seek to assess how the human body deals with the drug, it is usual for such studies to be undertaken in healthy volunteers as it is usually not necessary to have the target disease to answer these questions

"**Phase 2**": Studies that aim to obtain preliminary data on whether the drug is likely to be adequately safe and effective in patients who have a certain disease or condition and to determine the most suitable doses of the drug. Typical studies in Phase 2 would be to look at the efficacy of the drug in carefully selected patient populations who may not be representative of the broader community but may help get a good measure of the efficacy of the drug. Most subjects in Phase 2 studies are patients with the target disease

"**Phase 3**": Studies that aim to confirm the safety and efficacy of the drug and to demonstrate this to the satisfaction of international regulatory authorities. The number of subjects in a Phase 3 clinical study ranges from several hundred to several thousand patients depending on the indication. To militate against a false positive result, regulatory authorities typically require two pivotal efficacy and safety studies, with both required to be positive to achieve registration. Although the principal components of the Phase 3 programme are two large efficacy and safety studies, a number of other smaller Phase 1-type clinical studies may be needed concurrently to answer all the questions that regulatory authorities may have. If the formulation has changed during development, bioequivalence studies linking all the development formulations with the putative marketed product are required

"**PheoniX**"	:	One of the products in clinical development under our specialty pharmaceutical business, where sildenafil as an active ingredient is incorporated with our WaferiX drug delivery platform for the treatment of male erectile dysfunction
"**placebo**"	:	A wafer containing no active medication
"**pulmonary artery**"	:	The artery leading from the right ventricle of the heart to the lungs
"**pulmonary arterial hypertension**"	:	Progressive disease characterised by an elevation of pulmonary artery pressure and pulmonary vascular resistance, leading to right ventricular failure and death
"**REMS**"	:	Risk evaluation and mitigation strategies, which are required safety measures to manage known or potential serious risks associated with specific drugs or biological products. Each REMS provides specific safety measures unique to the safety risks associated with a particular drug or class of drugs. REMS will be required if the FDA determines that REMS is necessary to ensure that the benefits of the drug or biological product outweigh its risks. FDA may require REMS before or after a drug or biological product is approved, based on new safety information
"**sildenafil**"	:	Sildenafil citrate, the active ingredient incorporated in our PheoniX product and the active ingredient of Viagra for the treatment of male erectile dysfunction respectively
"**sublingual**"	:	Situated beneath the tongue
"**WaferiX**"	:	A drug delivery technology comprising a non-invasive proprietary wafer formulation which allows a number of drugs to be delivered sublingually, that is, by transmucosal absorption under the tongue
"**Wafermine**"	:	One of the products in clinical development under our specialty pharmaceutical business, where ketamine as an active compound is incorporated with our WaferiX drug delivery platform to provide relief for acute and severe pain
"**Wafernyl**"	:	One of the products in clinical development under our specialty pharmaceutical business, where fentanyl as an active compound is incorporated with our WaferiX drug delivery platform for the treatment of acute and breakthrough pain

The following is a summary of the principal terms and conditions of the Rights Issue which is derived from, and should be read in conjunction with, the full text of this Offer Information Statement, and is qualified in its entirety by reference to information appearing elsewhere in this Offer Information Statement.

Eligibility to participate in the Rights Issue	:	Please refer to the section titled "Eligibility of Shareholders to Participate in the Rights Issue" of this Offer Information Statement.
Basis of provisional allotment	:	One Rights Shares for every 25 existing Shares held by Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded.
Number of Rights Shares to be Issued	:	Based on the Existing Issued Share Capital and assuming the Rights Issue is fully subscribed, up to 24,584,284 Rights Shares will be issued.
Issue Price	:	S$0.21 for each Rights Share, payable in full upon acceptance and/or application. The Issue Price represents a discount of approximately 39.1% to the closing price of S$0.345 per Share on Catalist on 25 May 2016, being the date of the last trade preceding the Announcement, and a discount of approximately 38.2% to the theoretical ex-rights price[1] of S$0.340 per Share.
Status of Rights Shares	:	The Rights Shares will, upon allotment and issue, rank *pari passu* and without preference in all respects with the existing Shares in issue as at the date of issue of the Rights Shares for any dividends, rights, allotments or other distributions, the record date for which falls on or after the date of allotment and issue of the Rights Shares.
Listing of the Rights Shares	:	On 14 June 2016, our Company obtained a listing and quotation notice from the SGX-ST for the listing of and quotation for the Rights Shares on Catalist, subject to the Company's compliance with the SGX-ST's listing requirements. The listing and quotation notice from the SGX-ST is not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Company, its subsidiaries and/or their securities.
Trading of the Rights Shares	:	Upon the listing of and quotation for the Rights Shares on Catalist, the Rights Shares will be traded on Catalist under the book-entry (scripless) settlement system. All dealings in and transactions (including transfers) in relation to the Rights Shares effected through the SGX-ST and/or CDP shall be made in accordance with CDP's "Terms and Conditions for Operation of Securities Accounts with The Central Depository (Pte) Limited", as the same may be amended from time to time, copies of which are available from CDP.

1 The theoretical ex-rights price is the theoretical market price of each Share assuming the completion of the Rights Issue, and is calculated based on the closing price of S$0.345 per Share on Catalist on 25 May 2016, being the date of the last trade before the Announcement and the number of Shares immediately following the completion of the Rights Issue.

For the purpose of trading on Catalist, each board lot of Shares currently comprises 100 Shares. Shareholders who wish to trade in lot sizes other than board lots of 100 can do so on the SGX-ST's Unit Share Market.

Trading of "nil-paid" rights : Entitled Depositors who wish to trade all or part of their provisional allotments of Rights Shares on Catalist can do so during the Rights Trading Period.

Entitled Depositors should note that the provisional allotments of Rights Shares will be tradable in board lots of 100. Entitled Depositors who wish to trade in lot sizes other than board lots of 100 can do so on the SGX-ST's Unit Share Market.

Acceptance, application for Excess Rights Shares and payment : Entitled Shareholders will be at liberty to accept (in full or in part), decline, renounce or, in the case of Entitled Depositors only, trade their Rights on Catalist during the Rights Trading Period, and are eligible to apply for Excess Rights Shares.

Provisional allotments which are not taken up for any reason or which represent fractional entitlements disregarded in accordance with the terms of the Rights Issue shall be used to satisfy applications for Excess Rights Shares or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interest of the Company, subject to the applicable laws and Catalist Rules.

In the allotment of Excess Rights Shares, preference will be given to the rounding of odd lots, and Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the board of Directors will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares. The Company will also not make any allotment and issuance of any Excess Rights Shares that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders in a general meeting.

For the avoidance of doubt, only Entitled Shareholders (and not Purchasers or the renouncees of Entitled Shareholders) shall be entitled to apply for Excess Rights Shares.

The procedures for, and the terms and conditions applicable to, acceptance, payment and application for Excess Rights Shares by Entitled Depositors and the procedures for acceptance, splitting, renunciation, application for Excess Rights Shares and payment by Entitled Scripholders are set out in Appendices I to III to this Offer Information Statement and in the ARE, the ARS and the PAL.

Estimated proceeds : The estimated Net Proceeds from the Rights Issue (after deducting professional fees and related expenses incurred in connection with the Rights Issue of approximately S$0.22 million) are expected to be approximately S$4.94 million.

All the Net Proceeds will go to our Company.

Use of proceeds	:	Our Company intends to utilise the Net Proceeds for the following purposes: (a) approximately 80.0% of the Net Proceeds to fund the development of the Company's pipeline products (including undertaking clinical trials and registration of such products with appropriate agencies for marketing approval) and for marketing of the Company's products; and (b) the balance for the acquisition of new product packaging equipment. Upon completion of the Rights Issue and pending the deployment of the Net Proceeds for the abovementioned purposes, the Net Proceeds may be deposited with banks and/or financial institutions, invested in short-term money markets and/or marketable securities, or used for any other purposes on a short-term basis as the Directors may, in their absolute discretion, deem fit in the interest of the Company.
Use of CPF funds	:	As the Shares are not registered under the CPF Investment Scheme, monies in CPF Investment Accounts cannot be used for the payment of the Issue Price to accept provisional allotments of Rights Shares or to apply for Excess Rights Shares.
Non-underwritten	:	The Rights Issue will not be underwritten.
Undertakings	:	The Undertaking Shareholders have irrevocably undertaken to subscribe for Rights Shares (and in the case of Mr. Eddy Lee Yip Hang and Mr. Tan See Tee, Excess Rights Shares as well) pursuant to and in accordance with the terms of their respective Undertakings. Please refer to paragraph 1(f) in the section titled "Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 – Part X – Additional Information Required for Offer of Securities by way of Rights Issue" of this Offer Information Statement for further details on the Undertakings.
Governing law	:	Laws of the Republic of Singapore.
Risk factors	:	Investing in the Rights Shares involves risks. Please refer to the section titled "Risk Factors" of this Offer Information Statement for details on such risks.

INDICATIVE TIMETABLE OF KEY EVENTS

The timetable below lists certain important dates and times relating to the Rights Issue. All dates and times referred to below are Singapore dates and times.

Shares trade ex-rights	:	22 June 2016 from 9.00 a.m.
Books Closure Date	:	24 June 2016 at 5.00 p.m.
Despatch of Offer Information Statement (together with the ARE or the PAL, as the case may be) to Entitled Shareholders	:	29 June 2016
Commencement of trading of "nil-paid" rights	:	29 June 2016 from 9.00 a.m.
Last date and time for splitting and trading of "nil-paid" rights	:	8 July 2016 at 5.00 p.m.
Last date and time for acceptance of and payment for Rights Shares	:	14 July 2016 at 5.00 p.m. (9.30 p.m. for Electronic Applications)
Last date and time for acceptance of and payment for Rights Shares by renouncees	:	14 July 2016 at 5.00 p.m.
Last date and time for application of and payment for Excess Rights Shares	:	14 July 2016 at 5.00 p.m. (9.30 p.m. for Electronic Applications)
Expected date for issuance of Rights Shares	:	21 July 2016
Expected date for crediting of Rights Shares	:	22 July 2016
Expected date for refund of unsuccessful or invalid applications (if made through CDP)	:	22 July 2016
Expected date for commencement of trading of Rights Shares	:	22 July 2016

The above timetable is indicative only and is subject to change. As at the Latest Practicable Date, the Company does not expect the timetable to be modified. However, the Company may, with the approval of the SGX-ST, the Sponsor and/or CDP, modify the timetable subject to any limitation under any applicable law. In that event, the Company will publicly announce any change to the above timetable through an SGXNET announcement to be posted on the SGX-ST's website at http://www.sgx.com.

ELIGIBILITY OF SHAREHOLDERS TO PARTICIPATE IN THE RIGHTS ISSUE

1. ENTITLED SHAREHOLDERS

Entitled Shareholders are entitled to participate in the Rights Issue and to receive this Offer Information Statement, together with the ARE or the PAL, as the case may be, and other accompanying documents at their respective Singapore addresses. Entitled Depositors who do not receive this Offer Information Statement and the ARE may obtain them from CDP during the period from the date the Rights Issue commences up to the Closing Date. Entitled Scripholders who do not receive this Offer Information Statement and the PAL may obtain them from the Share Registrar during the period from the date the Rights Issue commences up to the Closing Date.

Entitled Shareholders will be provisionally allotted Rights under the Rights Issue on the basis of their shareholdings in the Company as at the Books Closure Date, fractional entitlements to be disregarded. Entitled Shareholders are at liberty to accept (in full or in part), decline, renounce or, in the case of Entitled Depositors only, trade their Rights on Catalist during the Rights Trading Period, and are eligible to apply for additional Rights Shares in excess of their provisional allotments of Rights under the Rights Issue. Fractional Rights will be disregarded in arriving at the Shareholders' entitlements and will, together with such Rights Shares that are not validly taken up by Entitled Shareholders, their respective renouncee(s) or Purchaser(s), any unsold Rights of Foreign Shareholders and any Right Shares that are otherwise not allotted for whatever reason, in accordance with the terms and conditions contained in this Offer Information Statement, the ARE, the ARS and the PAL, be aggregated and used to satisfy Excess Rights Shares applications (if any), or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit for the benefit of the Company.

In the allotment of any Excess Rights Shares, preference will be given to the rounding of odd lots, and Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the board of Directors will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares. The Company will also not make any allotment and issuance of any Excess Rights Shares that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders in a general meeting. For the avoidance of doubt, only Entitled Shareholders (and not Purchasers or the renouncees of Entitled Shareholders) shall be entitled to apply for Excess Rights Shares.

(a) Entitled Depositors

Entitled Depositors should note that all notices and documents will be sent to their last registered addresses with CDP. Entitled Depositors are reminded that any request to CDP to update their records or to effect any change in address must reach CDP at 9 North Buona Vista Drive, #01-19/20 The Metropolis Tower 2, Singapore 138588, at least three Market Days before the Books Closure Date.

(b) Entitled Scripholders

Entitled Scripholders should note that all correspondences and notices will be sent to their last registered addresses with the Share Registrar. Entitled Scripholders are reminded that any request to the Share Registrar to update their records or effect any change in address must reach iX Biopharma Ltd. c/o the Share Registrar, Tricor Barbinder Share Registration Services at 80 Robinson Road, #02-00, Singapore 068898, at least three Market Days before the Books Closure Date.

Entitled Scripholders are encouraged to open Securities Accounts with CDP if they have not already done so and to deposit their share certificates with CDP prior to the Books Closure Date so that their Securities Accounts may be credited by CDP with their Shares and the provisional allotments of Rights Shares. Entitled Scripholders should note that their Securities Accounts will only be credited with the Shares on the 12th Market Day from the date of lodgement of the share certificates with CDP or such other date as CDP may determine.

All dealings in and transactions of the Rights through Catalist will be effected under the book-entry (scripless) settlement system. Accordingly, the PALs to be issued to Entitled Scripholders will not be valid for delivery pursuant to trades done on Catalist.

The procedures for, and the terms and conditions applicable to, acceptance, splitting, renunciation and/or sale of the Rights and for the application for Excess Rights Shares, including the different modes of acceptance or application and payment, are contained in Appendices I to III to this Offer Information Statement and in the ARE, the ARS and the PAL.

Notwithstanding the foregoing, investors should note that the offer and sale of, or exercise or acceptance of, or subscription for, Rights and Rights Shares to or by persons located or resident in jurisdictions other than Singapore may be restricted or prohibited by the laws of the relevant jurisdiction. Crediting of Rights to any Securities Account, the receipt of any provisional allotment of Rights Shares, or receipt of this Offer Information Statement and/or any of its accompanying documents, will not constitute an offer or sale in those jurisdictions in which it will be illegal to make such offer or sale, or where such offer or sale will otherwise violate the securities laws of such jurisdictions or be restricted or prohibited. The Company reserves absolute discretion in determining whether any person may participate in the Rights Issue.

2. FOREIGN SHAREHOLDERS

This Offer Information Statement and its accompanying documents have not been and will not be registered or lodged in any jurisdiction other than in Singapore. The distribution of this Offer Information Statement and its accompanying documents, and the purchase, exercise of or subscription for Rights or the Rights Shares may be prohibited or restricted (either absolutely or subject to various securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. For practical reasons and in order to avoid any violation of the securities legislations applicable in countries other than in Singapore, the Rights Issue is only made in Singapore and this Offer Information Statement and its accompanying documents relating to the Rights Issue have not been and will not be despatched to Foreign Shareholders or into any jurisdictions outside Singapore.

Accordingly, Foreign Shareholders will not be entitled to participate in the Rights Issue. No provisional allotment of Rights Shares will be made to Foreign Shareholders, and no purported acceptance thereof or application therefor by Foreign Shareholders will be valid. This Offer Information Statement and its accompanying documents will also not be despatched to Foreign Purchasers. Foreign Purchasers who wish to accept the provisional allotments of Rights Shares credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore. Further, any renouncee of an Entitled Scripholder, whose address as stated in the PAL is outside Singapore, will not be entitled to accept the provisional allotment of Rights Shares renounced to him.

The Company reserves the right to treat as invalid any ARE, ARS or PAL or decline to register such application or purported application which (a) appears to the Company or its agents to have been executed in any jurisdiction outside Singapore which may violate the applicable legislation of such jurisdiction; (b) provides an address outside Singapore for the receipt of the share certificates(s) for the Rights Shares or which requires the Company to despatch the share certificates(s) to an address in any jurisdiction outside Singapore; or (c) purports to exclude any deemed representation or warranty required by the terms of this Offer Information Statement, the ARE, the ARS or the PAL. The Company further reserves the right to reject any acceptances of the Rights Shares and/or applications for Excess Rights Shares where it believes, or has reason to believe, that such acceptances and/or applications may violate the applicable legislation of any jurisdiction.

It is the responsibility of any person (including, without limitation, custodians, nominees and trustees) outside Singapore wishing to take up their provisional allotment of Rights Shares or apply for Excess Rights Shares under the Rights Issue or to satisfy himself as to the full observance of the laws of any relevant territory in connection therewith, including the obtaining of any

governmental or other consents which may be required, the compliance with other necessary formalities and the payment of any issue, transfer or other taxes due in such territories. The comments set out in this Section are intended as a general guide only and any Foreign Shareholder who is in doubt as to his position should consult his professional advisers without delay.

Receipt of this Offer Information Statement, a PAL, ARE or ARS or the crediting of Rights Shares to a Securities Account will not constitute an offer in those jurisdictions in which it would be illegal to make an offer and, in those circumstances, this Offer Information Statement and the PALs, AREs or ARSs must be treated as sent for information only and should not be copied or redistributed. No person receiving a copy of this Offer Information Statement, a PAL, ARE or ARS and/or a credit of Rights or Rights Shares to a Securities Account in any territory other than Singapore may treat the same as constituting an invitation or offer to him or her, nor should he or she in any event use any such PAL, ARE or ARS and/or accept any credit of Rights to a Securities Account unless, in the relevant territory, such an invitation or offer could lawfully be made to him or her and such PAL, ARE or ARS and/or credit of Rights or Rights Shares to a Securities Account could lawfully be used or accepted, and any transaction resulting from such use or acceptance could be effected, without contravention of any registration or other legal or regulatory requirements. In circumstances where an invitation or offer would contravene any registration or other legal or regulatory requirements, this Offer Information Statement, the PAL, ARE or ARS must be treated as sent for information only and should not be copied or redistributed.

Persons (including, without limitation, custodians, nominees and trustees) receiving a copy of this Offer Information Statement, and/or a PAL, ARE or ARS or whose Securities Account is credited with Rights should not distribute or send the same or transfer Rights in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If this Offer Information Statement, a PAL, ARE or ARS or a credit of Rights is received by any person in any such territory, or by his agent or nominee, he must not seek to take up the Rights, and renounce such PAL, ARE or ARS or transfer the Rights unless the Company determines that such actions would not violate applicable legal or regulatory requirements. Any person (including, without limitation, custodians, nominees and trustees) who forwards this Offer Information Statement, or a PAL, ARE or ARS or transfers Rights into any such territories (whether pursuant to a contractual or legal obligation or otherwise) should draw the recipient's attention to the contents of this Section as well as relevant sections of this Offer Information Statement.

If it is practicable to do so, arrangements may, at the absolute discretion of the Company, be made for the Rights which would otherwise have been provisionally allotted to Foreign Shareholders to be sold "nil-paid" on Catalist as soon as practicable after commencement of trading of Rights on a "nil-paid" basis. Such sales will, however, only be effected if the Company, in its absolute discretion, determines that a premium can be obtained from such sales after taking into account expenses to be incurred in relation thereto.

The net proceeds from all such sales, after deduction of all expenses therefrom, will be pooled and thereafter distributed to Foreign Shareholders in proportion to their respective shareholdings or, as the case may be, the number of Shares standing to the credit of their respective Securities Accounts as at the Books Closure Date and sent to them by ordinary post at their own risk, provided that where the amount of net proceeds to be distributed to any single Foreign Shareholder is less than S$10.00, the Company shall be entitled to retain or deal with such net proceeds as the Directors may, in their absolute discretion, deem fit in the interest of the Company and no Foreign Shareholder shall have any claim whatsoever against the Company, CDP, the Share Registrar and/or their respective officers in connection therewith. Where such Rights are sold "nil-paid" on Catalist, they will be sold at such price or prices as the Company may, in its absolute discretion, decide and no Foreign Shareholder shall have any claim whatsoever against the Company, CDP, the Share Registrar or their respective officers in respect of such sales or the proceeds thereof, the provisional allotments of Rights Shares or the Rights Shares represented by such provisional allotments.

If such Rights cannot be sold or are not sold on Catalist as aforesaid for any reason by such time as the SGX-ST shall have declared to be the last day for trading of the Rights, the Rights Shares represented by such Rights will be allotted and issued to satisfy applications for Excess Rights Shares (if any) or disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interest of the Company and no Foreign Shareholder shall have any claim whatsoever against the Company, CDP, the Share Registrar and/or their respective officers in connection therewith.

Shareholders should note that the special arrangements described above will apply only to Foreign Shareholders. However, the Company reserves the right to make similar arrangements for the Rights which would otherwise have been allotted to certain Entitled Shareholders to be sold "nil-paid" on the SGX-ST as soon as practicable after dealings in the Rights commence, where the beneficial holders of such Rights are restricted or prohibited by the laws of the jurisdiction in which they are located or resident from participating in the Rights Issue.

SHAREHOLDERS WITH REGISTERED ADDRESSES OUTSIDE SINGAPORE WHO WISH TO PARTICIPATE IN THE RIGHTS ISSUE SHOULD HAVE PROVIDED CDP (AT 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS TOWER 2, SINGAPORE 138588) OR THE SHARE REGISTRAR (AT 80 ROBINSON ROAD, #02-00, SINGAPORE 068898), AS THE CASE MAY BE, WITH ADDRESSES IN SINGAPORE FOR THE SERVICE OF NOTICES AND DOCUMENTS, AT LEAST THREE MARKET DAYS PRIOR TO THE BOOKS CLOSURE DATE.

Notwithstanding anything herein, Entitled Shareholders and/or any other person having possession of this Offer Information Statement and/or its accompanying documents are advised to inform themselves of and to observe any legal requirements applicable thereto at their own expense and without liability to the Company. No person in any territory outside Singapore receiving this Offer Information Statement and/or its accompanying documents may treat the same as an offer, invitation or solicitation to subscribe for any Rights Shares unless such offer, invitation or solicitation could lawfully be made without violating any regulatory or legal requirements in such territory. In circumstances where an invitation or offer would contravene any registration or other legal or regulatory requirements, this Offer Information Statement, the ARE, ARS or PAL must be treated as sent for information only and should not be copied or redistributed.

Depositors should note that all correspondences will be sent to their last registered Singapore mailing addresses with CDP. Depositors should note that any request to CDP to update its records or to effect any change in address should have reached CDP at 9 North Buona Vista Drive, #01-19/20 The Metropolis Tower 2, Singapore 138588, at least three Market Days before the Books Closure Date. Shareholders whose Shares are registered in their own names (not being Depositors) who do not presently have an address in Singapore for the service of notices and documents and who wish to be eligible to participate in the Rights Issue should have provided such an address in Singapore by notifying iX Biopharma Ltd. c/o the Share Registrar, Tricor Barbinder Share Registration Services at 80 Robinson Road, #02-00, Singapore 068898, at least three Market Days before the Books Closure Date.

1. LISTING OF AND QUOTATION FOR THE RIGHTS SHARES

A listing and quotation notice has been obtained from the SGX-ST on 14 June 2016 for the listing of and quotation for the Rights Shares on Catalist, subject to the Company's compliance with the SGX-ST's listing requirements. The listing and quotation notice from the SGX-ST is not to be taken as an indication of the merits of the Rights Issue, the Rights Shares, the Company, its subsidiaries and/or their securities.

Upon the listing of and quotation for the Rights Shares on Catalist, the Rights Shares will be traded on Catalist under the book-entry (scripless) settlement system. All dealings in and transactions (including transfers) of the Rights Shares effected through the SGX-ST and/or CDP shall be made in accordance with CDP's "Terms and Conditions for Operation of Securities Accounts with The Central Depository (Pte) Limited", as the same may be amended from time to time, copies of which are available from CDP.

2. SCRIPLESS TRADING FOR ENTITLED SCRIPHOLDERS

To facilitate scripless trading, Entitled Scripholders and their renouncees who wish to accept the Rights Shares provisionally allotted to them and (if applicable) apply for Excess Rights Shares, and who wish to trade the Rights Shares issued to them on Catalist under the book entry (scripless) settlement system, should open and maintain Securities Accounts with CDP in their own names (if they do not already maintain such Securities Accounts) in order that the number of Rights Shares and, if applicable, the Excess Rights Shares that may be allotted to them may be credited by CDP into their Securities Accounts.

Entitled Scripholders and their renouncees who wish to accept the Rights Shares and/or apply for Excess Rights Shares and have their Rights Shares credited into their Securities Accounts must fill in their Securities Account numbers and/or National Registration Identity Card ("**NRIC**") / passport numbers (for individuals) or registration numbers (for corporations) in the relevant forms comprised in the PAL.

Entitled Scripholders and their renouncees who fail to fill in their Securities Account numbers and/or NRIC / passport numbers (for individuals) or registration numbers (for corporations) or who provide incorrect or invalid Securities Account numbers and/or NRIC / passport numbers (for individuals) or registration numbers (for corporations) or whose particulars provided in the forms comprised in the PAL differ from those particulars in their Securities Accounts currently maintained with CDP, will be issued physical share certificates in their own names, for the Rights Shares allotted to them, and if applicable, the Excess Rights Shares allotted to them, **which will be forwarded to them by ordinary post at their own risk**. Such physical share certificates, if issued, will not be valid for delivery pursuant to trades done on Catalist under the book-entry (scripless) settlement system, although they will continue to be *prima facie* evidence of legal title.

If an Entitled Scripholder's address stated in the PAL is different from his address registered with CDP, he must inform CDP of his updated address promptly, failing which the notification letter on successful allotment and other correspondence will be sent to his address last registered with CDP.

A holder of physical share certificate(s) or an Entitled Scripholder who has not deposited his share certificate(s) with CDP, but wishes to trade on Catalist, must deposit his share certificate(s) with CDP, together with the duly executed instrument(s) of transfer in favour of CDP, pay the applicable fees and have his Securities Account credited with the number of Rights Shares and/or Shares, as the case may be, before he can effect the desired trade.

3. TRADING OF ODD LOTS

Entitled Shareholders should note that the Rights Issue may result in them holding odd lots of Shares (that is, lots other than board lots of 100 Shares).

Entitled Depositors who wish to trade all or part of their Rights on Catalist during the Rights Trading Period should note that the Rights will be tradable in board lots, each board lot comprising provisional allotments of 100 Rights Shares, or any other board lot size as the SGX-ST may require. Entitled Depositors who wish to trade in lot sizes other than board lots of 100 can do so on the SGX-ST's Unit Share Market. Such Entitled Depositors may start trading in their Rights as soon as dealings therein commence on Catalist.

Following the Rights Issue, Shareholders who hold odd lots of Shares and who wish to trade in odd lots on Catalist should note that they are able to do so on the SGX-ST's Unit Share Market. The market for trading of such odd lots may be illiquid. There is no assurance that Shareholders who hold odd lots of Shares will be able to acquire such number of Shares required to make up a board lot, or to dispose of their odd lots (whether in part or in whole) on the SGX-ST's Unit Share Market.

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements contained in this Offer Information Statement, statements made in public announcements, press releases and oral statements that may be made by us or our Directors, officers or employees acting on our behalf, that are not statements of historical fact, constitute "forward-looking statements". You may identify some of these forward-looking statements by terms such as "expects", "believes", "plans", "intends", "predicts", "estimates", "anticipates", "may", "will", "would" and "could" or similar expressions. However, you should note that these words are not the exclusive means of identifying forward-looking statements. All statements regarding our Group's future financial position, operating results, business strategies, plans and prospects are forward-looking statements.

These forward-looking statements, including without limitation, statements as to our Group's:

(a) revenue and profitability;

(b) future plans;

(c) expected growth in demand;

(d) expected industry trends and development; and

(e) any other matters discussed in this Offer Information Statement regarding matters that are not historical fact,

are only predictions. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual future results, performance or achievements to be materially different from any future results, performance or achievements expected, expressed or implied by these forward-looking statements.

Given the risks (both known and unknown), uncertainties and other factors that may cause our Group's actual future results, performance or achievements to be materially different from that expected, expressed or implied by the forward-looking statements in this Offer Information Statement, undue reliance must not be placed on these statements.

Our Group's actual results may differ materially from those anticipated in these forward-looking statements. Neither the Company nor any other person represents or warrants that our Group's actual future results, performance or achievements will be as discussed in those forward-looking statements.

Further, our Company and our Directors, officers or employees acting on our behalf, disclaim any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances for any reason, even if new information becomes available or other events occur in the future. However, our Company may make an announcement on SGXNET and, if required, lodge a supplementary or replacement document with the SGX-ST, acting as agent on behalf of the Authority, in the event, among others, that we become aware of a new development, event or circumstance that has arisen since the lodgement of this Offer Information Statement with the SGX-ST, acting as agent on behalf of the Authority, but before the Closing Date and that is materially adverse from the point of view of an investor or required to be disclosed pursuant to law and/or by the SGX-ST. Our Company is also subject to the provisions of the Catalist Rules regarding corporate disclosure.

The Code regulates, among others, the acquisition of ordinary shares of corporations with a primary listing on Catalist, including the Company.

Pursuant to the Code, except with the consent of the SIC, where:

(a) any person acquires, whether by a series of transactions over a period of time or not, Shares which (taken together with Shares held or acquired by parties acting in concert with him) carry 30.0% or more of the voting rights in the Company; or

(b) any person who, together with parties acting in concert with him, holds not less than 30.0% but not more than 50.0% of the voting rights of the Company and such person, or any person acting in concert with him, acquires in any period of six months additional Shares carrying more than 1.0% of the voting rights of the Company,

such person must extend a mandatory take-over offer immediately for all the remaining Shares in the Company which carry voting rights in accordance with the provisions of the Code. In addition to such person, each of the principal members of the group of persons acting in concert with him may, according to the circumstances of the case, have the obligation to extend an offer.

Shareholders who are in doubt as to their obligations, if any, to make a mandatory take-over offer under the Code as a result of any acquisition of the Rights Shares pursuant to the Rights Issue or the acceptance of the provisional allotments of Rights Shares and/or the application for Excess Rights Shares, should consult the SIC and/or their professional advisers immediately.

As at the Latest Practicable Date, Mr. Eddy Lee Yip Hang holds directly 175,400,020 Shares, and his concert party, his wife, Ms. Tang Choy Leng Jane, holds directly 14,500,030 Shares. As such, Mr. Lee and Ms. Tang collectively have an interest in 189,900,050 Shares, representing in aggregate approximately 30.90% of the Existing Issued Share Capital.

In support of the Rights Issue, the Undertaking Shareholders have irrevocably undertaken to the Company that they will, among others, subscribe and pay for, and/or procure subscriptions and payment for (as the case may be), Rights Shares and/or Excess Rights Shares (as the case may be) pursuant to and in accordance with the terms of their respective Undertakings. On the assumption that (a) Ms. Tang accepts, subscribes and pays in full for her *pro rata* entitlement of Rights Shares; (b) Mr. Lee fulfils his obligations under his Undertaking to (i) accept, subscribe and pay in full for his *pro rata* entitlement of Rights Shares; and (ii) subscribe and pay in full for 4,000,000 Excess Rights Shares; and (c) the rest of the Undertaking Shareholders fulfil their obligations under their respective Undertakings, such that the Rights Issue is fully subscribed, Mr. Lee and Ms. Tang would collectively have an interest in 201,496,051 Shares, representing in aggregate approximately 31.52% of the Enlarged Issued Share Capital.

In any event, Mr. Lee had agreed in his Undertaking that, depending on the level of subscription for Rights Shares under the Rights Issue, the Company shall, if necessary, scale down his subscription of Rights Shares (including, for the avoidance of doubt, Excess Rights Shares) and/or the subscription of Rights Shares (including, for the avoidance of doubt, Excess Rights Shares) by parties acting in concert with him, to avoid placing himself and/or parties acting in concert with him in the position of incurring an obligation to make a mandatory general offer under the Code. As such, neither Mr. Lee nor Ms. Tang will incur a mandatory general offer obligation under the Code.

Furthermore, depending on the level of subscription for the Rights Shares, the Company will, if necessary, and upon the approval of the SGX-ST, scale down a Shareholder's application to subscribe for the Rights Issue to avoid placing the relevant Shareholder and/or parties acting in concert with it in the position of incurring a mandatory general offer obligation under the Code as a result of other Shareholders not taking up their Rights Shares entitlements fully.

For the avoidance of doubt, the possibility of scaling down a Shareholder's application to subscribe for the Rights Issue shall apply to all Shareholders' applications to subscribe for Rights Shares and (if applicable) Excess Rights Shares, including the Undertaking Shareholders and JN Entities.

In addition, the Company will not make any allotment and issue of Rights Shares that will result in a transfer of controlling interest in the Company, which is prohibited under Rule 803 of the Catalist Rules, unless prior approval of Shareholders is obtained in a general meeting.

To the best of the Directors' knowledge and belief, all of the risk factors that are material to prospective investors in making an informed judgement on the Rights Issue are set out below. Prospective investors should carefully consider and evaluate each of the following considerations and all other information contained in this Offer Information Statement before deciding whether to invest in the Rights Shares. The Group could be affected by a number of risks that may relate to the industries and countries in which the Group operates as well as those that may generally arise from, among others, economic, business, market and political factors, including the risks set out herein. The risks described below are not intended to be exhaustive. There may be additional risks not presently known to the Group, or that the Group may currently deem immaterial, which could affect its operations, possibly materially. The business, results of operations, financial condition and prospects of the Group could be materially and adversely affected in the event that any of these risks materialises. In any such case, the trading price of our Shares could decline and you may lose all or part of their investment in our Shares and/or the Rights Shares. Before deciding to invest in the Rights Shares, you should seek professional advice from your adviser(s) about your particular circumstances.

This Offer Information Statement contains forward-looking statements relating to events that involve risks and uncertainties. See the section titled "Cautionary Note on Forward-Looking Statements" of this Offer Information Statement for more details.

RISKS RELATING TO OUR BUSINESS AND THE INDUSTRY IN WHICH WE OPERATE

Our products in development may not become commercially viable

Except for limited quantities of Wafermine which we sell to hospitals in Western Australia pursuant to an exemption set out in Schedule 5A of the TGR, we have not commenced marketing and sales activities of our products. Our products will require significant clinical and laboratory testing prior to submission of any application for regulatory approval which is required prior to any market launch or licensing to a pharmaceutical company for commercialisation.

Our future product development efforts are subject to the risks of failure inherent in the development of pharmaceutical products. These risks include the possibilities that any or all of our products will be found to be ineffective, unsafe, toxic, or otherwise fail to either meet applicable regulatory standards or to receive necessary regulatory approvals or clearances. Side effects in formulation development studies or human clinical trials could cause us or regulatory authorities to interrupt, limit, delay or discontinue the development of any of our products and could ultimately prevent their approval for any of the targeted indications. Even after receiving approval, products may subsequently exhibit adverse effects that could prevent their widespread use and necessitate their withdrawal from the market. Furthermore, there is a risk that our products, even if safe and effective, will be difficult to develop into commercially viable products. We may also experience difficulties in large-scale manufacturing or may find it uneconomical to market and sell our products. Moreover, the proprietary rights of third parties may preclude us from marketing our products.

If we are unable to develop, receive approval for, or successfully license or commercialise any of our products, we may be unable to generate sufficient revenues to achieve long-term profitability. If our development programmes are delayed, we may have to raise additional capital and our business, financial condition and results of operations may be materially and adversely affected.

We may fail to obtain necessary regulatory approvals to market and sell our products

Regulatory approvals are required before we are able to market and sell our products in most major markets throughout the world. We are currently conducting clinical trials which are required in order to submit these products for regulatory approval. The clinical trial and regulatory approval process is uncertain, time-consuming and expensive.

Our future success is substantially dependent upon us being able to obtain the regulatory approvals for our products in the US, Australia and other parts of the world. Our future sales of these products are subject to uncertainty because we are unable to guarantee that we will obtain such regulatory approvals. If we fail to obtain such regulatory approvals for any reason in any one or more of our target markets, we will be unsuccessful in achieving our goals for product revenue and profitability, and our business, financial condition and results of operations would be materially and adversely affected.

If our clinical trials are not successful, we may not be able to successfully develop and license or commercialise our products

Before we are able to commercialise our products in the United States, the FDA requires that we undertake significant clinical trials to demonstrate to the FDA that our products are safe and effective for their intended uses. We may also be required to undertake clinical trials by non-US regulatory agencies. We completed a Phase 2c clinical study on Wafermine in March 2016, which assessed the safety and tolerability of Wafermine when administered alone and in combination with opioids through three different dosing regimens of Wafermine in subjects undergoing bunionectomy. The results of the study confirmed that Wafermine was well-tolerated with no serious adverse effects at the maximum accumulated dosage of 315 mg over a 14-hour period and established Wafermine as suitable for multiple dose administration in clinical trials that would be required for international registration and approval. We also completed a pilot bioavailability study on PheoniX in November 2015 and commenced a pivotal bioequivalence study on PheoniX in April 2016. In addition, we completed a Phase 1 clinical trial for Wafernyl in August 2010 and are currently exploring the registration of Wafernyl with the FDA using the expedited regulatory pathway set out under Section 505(j) of the FD&C Act, that is, on the basis of bioequivalence with an existing FDA-approved drug.

Clinical trials are costly and uncertain processes that may take years to complete. Products in clinical trials may fail to show desired efficacy and safety traits despite early promising results or may be revised or negated by regulatory authorities. Data already obtained, or that in the future may be obtained, from non-clinical studies and clinical trials are not necessarily indicative of the results that will be obtained from subsequent non-clinical studies and clinical trials. Moreover, non-clinical and clinical data are susceptible to multiple and varying interpretations, which could delay, limit or prevent regulatory approval.

We may not be able to obtain the requisite approvals from regulatory agencies to commence or complete these clinical trials. Even if permitted, data from laboratory tests or clinical trials of our products and applications for which we have commenced clinical trials may not demonstrate the statistically sufficient levels of safety and/or effectiveness necessary to obtain regulatory approvals for commercialisation.

Furthermore, our Company, institutional review boards, or regulatory agencies may suspend clinical trials at any time if it is believed that the subjects or patients participating in such trials are being exposed to unacceptable health risks. Adverse or inconclusive clinical trial results concerning any of our products may require us to conduct additional clinical trials. If we are required by the FDA to perform trials which are additional to those that we currently anticipate, our expenses could increase beyond our expectations, significantly delay the filing for marketing approval with regulatory authorities, result in a filing for a narrower indication, or result in us having to abandon the commercialisation of our products. If we fail to obtain such regulatory approvals, we will not achieve our goals for product revenue and profitability, and our business, financial condition and results of operations would be materially and adversely affected.

If our clinical trials are delayed or cannot be completed, we may not be able to commercialise our products

We have in the past relied and expect to continue to rely on third-party CROs to conduct and oversee our clinical trials. We, or third parties on which we rely, may not successfully begin or complete our clinical trials in the time periods we have forecasted, or at all. The commencement and completion of clinical trials for our products under development may be delayed by many factors, including:

- inability to raise funding necessary to initiate or continue a trial;
- governmental or regulatory delays and changes in regulatory requirements, policies and guidelines that are evaluated for approval;
- limited number of, and competition for, suitable sites to conduct our clinical trials, and delay or failure to obtain FDA approval, if necessary, to commence a clinical trial;
- delay in, or our inability to, assemble or obtain from third parties supplies sufficient for use in pre-clinical studies and clinical trials;

- delay in patient recruitment and enrolment;
- limited number of, and competition for, suitable patients that meet the protocol's inclusion criteria;
- delay in reaching agreement on acceptable terms with prospective CROs;
- delay or failure to reach an agreement on acceptable clinical trial terms or clinical trial protocols with prospective sites or investigators;
- delay or failure to obtain the institutional review board's approval or renewal to conduct a clinical trial at a prospective or accruing site, respectively;
- failure of patients to complete the clinical trial;
- inability or unwillingness of patients or medical investigators to follow our clinical trial protocols or allocate sufficient resources to complete our clinical trials;
- difficulty in maintaining contact with patients during or after treatment, resulting in incomplete follow-up data;
- unforeseen safety issues;
- lack of efficacy evidenced during clinical trials;
- termination of our clinical trials by one or more clinical trial sites;
- time required to add new clinical sites; and
- varying interpretation of data by regulatory agencies.

The FDA or other non-US regulatory authorities may disagree with our trial design and interpretation of the clinical data. Any of these regulatory authorities may change their requirements for approval even after a clinical trial design has been approved.

If our development programmes are delayed, our business, financial condition and results of operations would be materially and adversely affected.

The market for our products could be substantially reduced by any regulatory limitation on intended use

Even if we obtain regulatory approval for the commercial sale of our products, it could later be determined that our products are not safe or effective as patients are monitored over a longer period of time. The FDA may also impose significant restrictions on the approved indicated uses for which the product may be marketed or on the conditions of approval. For example, a product's approval may contain requirements for potentially costly postapproval studies and surveillance, including phase 4 clinical studies, to monitor the safety and efficacy of the product. We will also be subject to ongoing FDA obligations and continued regulatory review with respect to the manufacturing, processing, labelling, packaging, distribution, adverse event reporting, storage, advertising, promotion and record keeping for the product. These requirements include submissions of safety and other postmarketing information and reports, registration, as well as continued compliance with current good manufacturing practices and good laboratory practices, which are regulations and guidelines enforced by the FDA for all of our products in clinical and pre-clinical development, and for any clinical trials that we conduct postapproval. To the extent that a product is approved for sale in other countries, we may be subject to similar restrictions and requirements imposed by laws and government regulators in those countries.

Furthermore, even if regulatory approvals are granted, they could be for a narrow therapeutic indication and thereby impose significant limitations on the potential market for the product. In addition, regulatory agencies may not approve the labelling claims that are necessary or desirable for the successful commercialisation of our products. Our business, financial condition and results of operations would be materially and adversely affected in such an event.

We have conducted and may in the future conduct clinical trials for our products outside the US and the FDA may not accept data from such trials

We have conducted and may in the future choose to conduct one or more of our clinical trials outside the US. Although the FDA may accept data from clinical trials conducted outside the US, acceptance of such clinical study data by the FDA is subject to certain conditions. For example, the clinical study must be well designed and conducted and performed by qualified investigators in accordance with ethical principles. The study population must also adequately represent the US population, and the data must be applicable to the US population and US medical practice in ways that the FDA deems clinically meaningful.

Generally, the patient population for clinical studies conducted outside of the US must be representative of the population for whom we intend to label the product in the US. In addition, such studies would be subject to the applicable local laws and the FDA acceptance of the data would be dependent upon its determination that the studies also complied with all applicable US laws and regulations. We cannot assure you that the FDA will accept data from clinical trials conducted outside of the US. If the FDA does not accept any such data, it would likely result in the need for additional trials, which would be costly and time-consuming, resulting in delays to aspects of our business plan. In such event, our business, financial condition and results of operations may be materially and adversely affected.

Even if we obtain FDA approval for any of our products in the United States, we may not obtain approval for or commercialise our products outside of the United States

In order to market any product outside of the United States, we must establish and comply with numerous and varying regulatory requirements of other countries regarding safety and efficacy. Clinical trials conducted in one country may not be accepted by regulatory authorities in other countries, and regulatory approval in one country does not mean that regulatory approval will be obtained in any other country. Approval processes vary among countries and may involve additional product testing and validation and additional administrative review periods. Seeking foreign regulatory approval could result in difficulties and costs for us and require additional non-clinical trials or clinical trials, which could be costly and time-consuming. Regulatory requirements may vary widely from country to country and could delay or prevent the introduction of our products in those countries. If we fail to comply with regulatory requirements in international markets or to obtain and maintain required approvals, or if regulatory approvals in international markets are delayed, our target market will be reduced and our ability to realise the full market potential of our products will be adversely affected.

We currently manufacture and supply Wafermine to hospitals in Australia under an exemption set out in Schedule 5A of the TGR. This exemption allows us to manufacture and supply our products under a contract of sale to private or public hospitals, or public institutions in Australia in accordance with a formulation specified by the hospital or public institution for use in connection with a patient of the entity even though our products are not included on the ARTG. This does not mean that our products will be accepted for inclusion on the ARTG. If we are unable to register our products in Australia, our sales will likely be confined to hospitals in Australia and in limited quantities. This will have a material and adverse effect on our business, financial condition and results of operations.

We are highly dependent on successfully commercialising our products

Even if our products are developed successfully and approved by the appropriate regulatory agencies, they may not enjoy commercial acceptance or success, in the event of which our business, financial condition and results of operations would be materially and adversely affected.

Our research, development and management resources are dedicated to a number of products which are not expected to be commercially available in the short term. If we experience significant delays in completing our projects, obtain unfavourable or only marginally favourable results from our projects, or fail to achieve market acceptance of our products, our near-term ability to generate revenues, our reputation and our ability to raise additional capital could be impaired and the price of our Shares could decline.

Other factors that could limit the successful commercialisation of our products include:

- inadequate or no reimbursement for our products by third-party payors;

- our inability to develop a sales force or distributorship capable of effectively marketing our products;
- our inability to assemble and supply a sufficient amount of products to meet market demand;
- our inability to maintain a cost-efficient commercial organisation and, to the extent we seek to do so, successfully partner with additional third parties;
- our inability to comply with regulatory requirements; and
- the number and relative effectiveness of competing products that are on or may enter the market.

Due to the numerous risks and uncertainties associated with our commercialisation efforts, we are unable to predict the extent to which we will generate revenues from our products or the timing for when or the extent to which we will become profitable, if ever. Even if we do achieve profitability, we may not be able to sustain or increase profitability on an ongoing basis.

The market may not be receptive to our products upon their commercial introduction

We focus on the development of pharmaceuticals by incorporating pharmacologically active compounds with our WaferiX drug delivery technology. As a result, we believe that it will be less difficult for us to convince physicians, patients and the medical community to accept and use our products than it would be for an entirely new drug.

However, WaferiX, our drug delivery platform technology, and our products utilising this technology, are new and are intended to replace or alter existing therapies or procedures. Hospitals, physicians and patients may conclude that our products are less effective or otherwise less attractive than existing drugs on the market.

Furthermore, our competitors may develop new technologies or products that are more effective or less costly, or that seem more cost-effective, than our products. We cannot assure you that hospitals, physicians, patients or the medical community in general will accept and use any products that we may develop.

The commercial success of PheoniX, a generic product, also depends to some extent on wholesalers, pharmacies and the medical community being willing to purchase and prescribe a generic versus a more established product such as Viagra. Although Viagra has been marketed safely for many years, there is a possibility that PheoniX could produce an unanticipated clinical side effect, or be considered less effective or less convenient, or otherwise inferior to Viagra, which could result in an adverse effect on our ability to achieve market acceptance for PheoniX by third parties.

Other factors that we believe will materially affect market acceptance of our products include:

- the timing of our receipt of any marketing approvals, the terms of such approvals, and the countries in which such approvals are obtained;
- the safety, efficacy, reliability and ease of administration of our products;
- the prevalence and severity of adverse side effects;
- limitations or warnings contained in a product's FDA-approved labelling;
- the clinical indications for which the product is approved;
- availability and perceived advantages of alternative treatments;
- any negative publicity related to our or our competitors' products;
- the quality and price of competing pharmaceuticals;

- our ability to obtain sufficient third-party payor coverage and reimbursement;
- the willingness of patients to pay out of pocket in the absence of third-party payor coverage;
- the selling effort and commitment by our collaborating partners; and
- our ability to maintain compliance with regulatory requirements.

Since we have a history of losses and our future profitability is uncertain, investment in our Shares carries a high degree of risk

Since the commencement of our business in 2008, we have been engaged primarily in recruiting scientific and management personnel, developing our products and technology, seeking grants, raising capital, and undertaking pre-clinical studies and clinical trials for our products. We have recorded significant losses since 2008. This relatively limited operating history may not be adequate to enable you to fully assess our ability to develop and commercialise our technologies and proposed formulations or products, obtain regulatory approval and achieve market acceptance of our proposed formulations or products and respond to competition. We may be unable to fully develop, obtain regulatory approval for, commercialise, manufacture, market, sell and derive material revenues from our products in the timeframes we project, if at all, and our inability to do so would materially and adversely impact our viability as a company.

We are currently undertaking clinical trials for our products and expect to incur significant expenditure over the next few years pending the completion of these trials

A significant portion of our expenses is fixed, including expenses related to facilities, equipment and personnel. In addition, we are expected to spend significant amounts to fund research, development, licensing and commercialisation of our products.

We are currently in the process of funding clinical trials for the development of our products, and intend to use approximately S$4.94 million of the proceeds raised from the Rights Issue to fund the development of our Company's pipeline products (including undertaking clinical trials and registration of such products with appropriate agencies for marketing approval), for marketing of the Company's products and for the acquisition of new product packaging equipment. As a result, we expect that our operating expenses will continue to increase in the foreseeable future. We have incurred significant expenses in 9M2016 due to, among others, the commencement of certain clinical trials. As such, we also do not expect to be profitable in FY2016. In the last two quarters of FY2016 and the first quarter of FY2017, in the conduct of a pivotal study on PheoniX and Phase 3 clinical studies on Wafermine, we expect our manufacturing facility to be fully utilised to develop final products for the clinical studies.

We cannot assure you that we will, over time, have sufficient revenues or positive cash flow to sustain our operations. The revenues that may follow from the sale of Wafermine and from the licensing of new products may fluctuate and the fluctuations could be substantial, in which event, our business, financial condition and results of operations would be materially and adversely affected.

We cannot assure you that we will be able to secure sufficient sales for our products to generate significant revenue and to attain profitability, or, if attained, that we will be able to sustain our profitability.

We may be required to seek the registration of our Wafernyl and PheoniX products by alternative regulatory pathways

We are exploring whether we are able to register our Wafernyl product with the FDA using the expedited regulatory pathway under Section 505(j) of the FD&C Act by submitting an ANDA on the basis of bioequivalence with an existing FDA-approved drug. In relation to PheoniX, we completed a pilot bioavailability study on PheoniX in November 2015, which compared the pharmacokinetics of sildenafil in PheoniX with that in Viagra. The results of the study demonstrated that the sublingual wafer formulation of PheoniX has a similar rate and extent of drug absorption as Viagra. As such, we commenced a pivotal bioequivalence study on PheoniX in April 2016. A successful conclusion of this study will enable us to register PheoniX with the relevant regulatory authority for its commercialisation.

We may determine, after further clinical trials are carried out on Wafernyl, that it is more appropriate to seek registration of Wafernyl by submitting an NDA under Section 505(b)(2) of the FD&C Act. Section 505(b)(2) permits the filing of an NDA where at least some of the information required for approval comes from studies not conducted by or for the applicant and for which the applicant has not obtained a right of reference. The applicant may rely upon the FDA's findings from pre-clinical or clinical trials conducted for an approved product. The FDA may also require Section 505(b)(2) applicants to perform additional clinical trials or measurements to support the change from the approved product. In the event we are required to seek registration of Wafernyl under Section 505(b)(2) of the FD&C Act, we may have to incur additional and significant expenses to conduct clinical trials. This may also result in significant delays in filing for marketing approval with regulatory authorities, or result in us having to abandon the commercialisation of Wafernyl. Similarly, should we be required to seek registration of PheoniX using an alternative regulatory pathway different from that currently envisaged, we may incur additional and significant expenses in relation to such registration. This may also result in significant delays in filing for marketing approval with regulatory authorities, or result in us having to abandon the commercialisation of PheoniX.

If we fail to obtain regulatory approval for our Wafernyl or PheoniX products, we will not be able to generate revenue from the introduction of such products and consequently, be unable to recover our research and development costs incurred in developing such products. This will have a material and adverse effect on our business, financial condition and results of operations.

We may require substantial additional funds to reach profitability and, if additional capital is not available, we may need to limit, scale back or cease our operations

We have used and will continue to require substantial funds to conduct research and development, including formulation development and clinical trials of our products. We may be required to seek additional external funding in the future and may do so through collaborative arrangements and public or private financing. Additional financing may not be available to us on acceptable terms, or at all. If we are unable to obtain funding on a timely basis or at all, we may be required to significantly curtail or cease one or more of our research or development programmes.

The terms of any financing available may adversely affect our operations or the rights of our Shareholders. To the extent that we raise additional funds by issuing Shares or equity securities, our Shareholders will experience dilution. Debt financing, if available, may involve restrictive covenants that may affect our freedom to operate our business, limit our ability to pay dividends or require us to seek consent for the payment of dividends, maintain certain financial ratios or require us to dedicate a portion of our cash flow from operations to payments of our debt. These conditions may limit our flexibility in planning for, or reacting to, changes in our business and our industry.

If we decide to finance the development of our products through collaborative arrangements, it may be necessary for us to relinquish some rights to our technologies or grant licences on terms that are not favourable to us. In addition, payments made by parties we collaborate with will generally depend on our achievement of negotiated development and regulatory milestones. Failure to achieve these milestones may materially and adversely affect our future capital position.

Even if we are able to raise additional funds in a timely manner, our future capital requirements may vary from what we expect and will depend on many factors, including the following:

- the costs of development and licensing or commercialisation of our products, if and when such products are approved by regulatory authorities;
- the timing, receipt, and amount of milestone and other payments, if any, from collaborating partners;
- the timing, receipt, and amount of sales and royalties, if any, from our current and potential products;
- the resources required to successfully complete the clinical trials of our products;

- the time and costs involved in obtaining regulatory approvals;
- continued progress in our research and development programmes, as well as the magnitude of these programmes;
- the costs involved in preparing, filing, prosecuting and maintaining patents, and enforcing patent claims;
- the cost of obtaining and maintaining licences to use patented technologies; and
- our ability to establish and maintain additional collaborative arrangements.

We face intense competition from our competitors, many of whom have greater financial resources, and are therefore able to expend more funds and effort in research and development, clinical trials, obtaining regulatory approval and marketing than us

The pharmaceutical industry is characterised by rapidly advancing technologies, intense competition and a strong emphasis on developing proprietary therapeutics. We face competition from a number of sources, several of which target the same indications as our products, such as pharmaceutical companies, including generic drug companies, biotechnology companies, drug delivery companies and academic and research institutions. In particular, the treatment of breakthrough pain in cancer patients is dominated by conventionally administered long-acting opioids, normally in the form of tablets. Rapidly acting treatments are generally restricted to injections. In addition to competing oral or nasal fentanyl forms, we must also compete with pharmaceutical companies that supply traditional opioids administered by tablets.

Our competitors' drugs or drug delivery systems which are already marketed and, potentially, those which are or will be in development may achieve earlier patent protection or commercialisation and be more effective, have fewer adverse effects, be less expensive to develop and manufacture, or be more effectively marketed and sold than any product we may commercialise. These competing products may render our products obsolete or limit our ability to generate revenues from our products before we are able to recover our losses. Key competitive factors affecting the commercial success of our products are likely to be efficacy, safety profile, reliability, convenience of administration, price and reimbursement.

Many of our competitors have significantly greater financial resources and expertise in research and development, manufacturing, formulation development and clinical trials, obtaining regulatory approvals and marketing than us. Other smaller companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies. Accordingly, our competitors may be more successful than we are in obtaining FDA approval for drugs and achieving widespread market acceptance. Academic institutions, government agencies and other public and private research organisations may also conduct research, seek patent protection, and establish collaborative arrangements for research and development, manufacturing, formulation development and clinical trials, obtaining regulatory approval and marketing of products similar to our products. These entities may also establish collaborative or licensing relationships with our competitors, which may materially and adversely affect our competitive position and, accordingly, our business, financial condition and results of operations.

The development of a pipeline of additional products is key to our long-term growth strategy

A key element of our strategy is to develop and commercialise a portfolio of new therapeutic products in addition to our current products. We plan to identify additional existing drug compounds that can be delivered via our drug delivery platform technology. Any drug reformulation may increase the risk of failure during development, extend the development timelines, increase development costs and add complexity to the regulatory approval process and in some cases, reformulation may not be possible. The research, testing, manufacturing, labelling, approval, sale, marketing and distribution of products containing controlled substances, among other things, are subject to extensive regulation by the FDA, the DEA and other regulatory authorities in the US. Obtaining approval of an NDA is a lengthy, expensive and uncertain process.

We cannot assure you that we will be able to successfully complete the development of or commercialise any of our product candidates. Before we are in a position to develop and commercialise any of our products, we have to:

- conduct substantial research and development;
- conduct clinical studies;
- expend significant funds;
- expand and scale-up our laboratory processes;
- expand and train our sales force;
- gain acceptance from ordering clinicians; and
- seek and obtain regulatory clearance or approvals of our new product under the applicable regulations.

Few research and development projects result in commercial products, and success in early clinical studies is often not replicated in later studies. At any point, we may abandon development of new products, or we may be required to expend considerable resources repeating clinical trials, which would adversely impact the timing for generating potential revenues from those new products. In addition, as we develop new products, we will have to make additional investments in our sales and marketing operations, which may be prematurely or unnecessarily incurred if the commercial launch of a product is abandoned or delayed.

If we are unable to identify additional drug compounds that can be delivered via our drug delivery platform technology or otherwise expand our pipeline and obtain regulatory approval for our products on the timelines that we anticipate, we will not be able to execute our business strategy effectively and our ability to substantially grow our revenues will be limited, which would have a material adverse impact on our business, results of operations, financial condition and prospects.

We are dependent on key management and skilled personnel

We are highly dependent on the expertise of our senior management and highly skilled and qualified research scientists in the areas of drug development, many of whom would be difficult to replace. The loss of any of our key employees could delay our research programmes and the development, licensing or commercialisation of our products. We cannot assure you that we will be able to recruit and retain suitable replacements should they leave, as skilled personnel with the appropriate experience in our industry are limited and competition for the employment of such personnel is intense. Our future success will also depend to a large extent on our continued ability to attract and retain other highly qualified scientific and management personnel, as well as personnel with expertise in clinical trials and governmental regulation. We face competition for personnel from other companies, universities, public, private and non-profit research institutions, government entities and other organisations for experienced management, scientists, researchers, and sales and marketing and manufacturing personnel. We believe that the loss of the services of any of our key management personnel without adequate replacement will jeopardise our operations and have an adverse impact on our business, financial condition, results of operations and prospects. We do not maintain “key man” insurance policies on the lives of these individuals or the lives of any of our other employees. All our Executive Officers and key personnel are employed on an at-will basis and their employment can be terminated by us or them. In order to incentivise and retain valuable employees, we have adopted an employee share option scheme, the iX Employee Share Option Scheme, and a performance share plan, the iX Performance Share Plan, in addition to salary, cash and other incentives. However, the value of share options that vest over time to employees and/or value of Shares awarded to employees will be significantly affected by movements in our Share price that are beyond our control, and may at any time be insufficient to counteract offers from other companies.

If we are unable to develop adequate sales and marketing capabilities, we may be unable to commercialise our products

We currently have limited direct sales and marketing capabilities. We may need to enter into arrangements with third parties to market, sell and distribute our products if they receive regulatory approval. These arrangements may not be available on terms acceptable to us, or at all. To the extent that we enter into such arrangements with other companies, our product revenue will depend, to a large extent, on the terms of such arrangements and the efforts of these third parties who we do not control and who may not successfully market and sell our products.

As part of our strategy, we may consider collaborating with suitable partners by out-licensing our projects, technologies and rights to our products if and when our products are approved by the relevant government authorities, such as the FDA and the TGA, and to allow our products to be marketed in different geographical regions outside of Australia. To date, we have not entered into any strategic partnerships for any of our products. We face significant competition in seeking appropriate strategic partners, and these strategic partnerships can be intricate and time-consuming to negotiate and document. We may not be able to negotiate strategic partnerships on acceptable terms, or at all. We are unable to predict when, if ever, we will enter into any strategic partnerships because of the numerous risks and uncertainties associated with establishing strategic partnerships. Our future collaboration partners, if any, may not dedicate sufficient resources to the commercialisation of our products or may otherwise fail in their commercialisation due to factors beyond our control. If we are unable to establish effective collaborations to enable the sale of our products to healthcare professionals and in geographical regions, including the United States, that will not be covered by our own marketing and sales force, or if our potential future collaboration partners do not successfully commercialise our products, our ability to generate revenues from product sales will be adversely affected.

We may choose to market and sell some of our products directly through our own marketing and sales force. In order to do this, we will need to hire additional marketing and sales staff and establish our distribution capability. Developing a direct marketing and sales force may be expensive and time-consuming. If we choose to market any of our products directly but we are unable to establish an effective marketing and sales force, the results of our operations would suffer.

If we are unable to establish adequate sales, marketing and distribution capabilities, whether independently or with third parties, we may not be able to generate sufficient product revenue and may not become profitable. We will be competing with many companies that currently have extensive and well-funded marketing and sales operations. Without an internal team or the support of a third party to perform marketing and sales functions, we may be unable to compete successfully against these more established companies, in which event, our business, financial condition and results of operations would be materially and adversely affected.

Our operations are concentrated at one facility and interruptions due to force majeure and other causes could materially and adversely affect our operations

All of our current operations are located in a single site in Croydon, Victoria, Australia. A fire, explosion, flood or other disaster resulting in significant damage to this compound could significantly disrupt, curtail or require us to cease our operations. In addition, an outbreak of influenza A (H1N1), severe acute respiratory syndrome, Middle East respiratory syndrome, avian influenza, Ebola virus or other viruses and/or communicable diseases in the region or around the world could materially and adversely affect our business. In the event that an outbreak occurs at our manufacturing facility or laboratory, we may be required to temporarily suspend part or all of our operations and quarantine all affected employees, which could materially and adversely affect our business, financial condition and results of operations.

It would be difficult, expensive and time-consuming to transfer resources from one facility to another or to replace and/or repair the facility if the facility is significantly affected by a disaster, whether natural or otherwise. We may be forced to rely on third-party manufacturers or to delay production of our products as a result. In addition, insurance for damage to our properties and the disruption of our business from disasters may not be sufficient to cover all of our potential losses and may not continue to be available to us on acceptable terms, or at all.

In addition, if one of our suppliers experiences a similar disaster, uninsured loss or under-insured loss, we could face significant delays in obtaining alternative sources of supplies and may incur substantial expenses in doing so. Any significant uninsured loss, prolonged or repeated disruption, or inability to operate experienced by us or any of our suppliers could materially and adversely affect our business, financial condition and results of our operations.

Manufacture of our products requires specialised equipment and expertise

The active compounds in Wafermine and Wafernyl, which are ketamine and fentanyl, are highly potent controlled compounds which necessitate the use of specialised equipment and facilities for their manufacture. There are a limited number of facilities in Australia which are GMP-licensed and which comply with FDA and TGA regulations that can accommodate our manufacturing process, and we need to use dedicated equipment throughout development and manufacturing to avoid the possibility of cross-contamination. If our equipment breaks down or needs to be repaired or replaced, it may cause significant disruption in clinical or commercial supply, which could result in delay in the process of obtaining approval for or sale of our products. We manufacture our products in our own manufacturing facility and have not identified a back-up commercial facility to date. Any problems with our facility or equipment may delay or impair our ability to complete our clinical trials or commercialise our products and increase our cost.

We may encounter manufacturing failures that could impede or delay the pre-clinical and clinical development or regulatory approval of our products or commercial production of our products, if approved

Our internal manufacturing operations may encounter difficulties involving, among other things, production yields, regulatory compliance, quality control and quality assurance, obtaining DEA quotas which allow us to produce products containing controlled substances in the quantities needed to execute our business plan, and shortages of qualified personnel. Our ability to supply or obtain regulatory approval of our products could be impeded, delayed, limited or denied if the FDA does not approve and maintain the approval of our manufacturing processes and facility. Any failure of our operations at our manufacturing facility or as conducted at any new facility that we may construct or acquire, could cause us to be unable to meet demand for our products and lose potential revenue, delay the pre-clinical and clinical development or regulatory approval of our products and materially and adversely affect our reputation.

We have limited experience scaling our manufacturing capability, and if we are unable to increase our production to meet demand, our business and results of operations would suffer

We currently manufacture and supply our Wafermine product to hospitals in Australia under an exemption set out in Schedule 5A of the TGR. This exemption allows us to sell this product to private or public hospitals, or public institutions in Australia under a contract for sale as and when requested by the hospital for use in connection with a patient of the entity. For FY2015 and 9M2016, sales of our Wafermine product did not account for a significant portion of our revenue.

However, if our products are approved by the FDA, we will be able to commercialise our products more widely in Australia and other parts of the world. As we scale up manufacturing of our products and conduct required stability testing, product, packaging, equipment and process-related issues may require refinement or resolution in order to proceed with our planned clinical trials and obtain regulatory approval for commercial marketing. We may in future identify significant impurities, which could result in increased scrutiny by the regulatory agencies, delays in clinical programme and regulatory approval, increases in our operating expenses, or failure to obtain or maintain approval for our products.

To be successful, we must manufacture products of sufficient quality and in adequate quantities to meet demand, in compliance with regulatory requirements and at an acceptable cost. We have limited experience in large-scale manufacturing and we may not be able to develop commercially viable manufacturing capabilities or increase our capacity to meet increased demand for our products. We may need to expand our manufacturing facility if we receive regulatory approval to sell our products. We will also need to be able to scale our manufacturing capacity to meet our sales projections while maintaining high product quality.

We may also encounter manufacturing problems in relation to the following:

- production yields;
- quality control and assurance;
- availability of outsourced components or products;
- shortages of qualified personnel;
- compliance with local and internal regulations;
- production and distribution costs; and
- development of advanced manufacturing techniques and process controls.

To the extent we decide to use third-party manufacturers or enter into manufacturing joint ventures with third parties, we cannot be certain that we will be able to contract with such companies on acceptable terms, if at all, or that such third parties will satisfy our quality standards or meet our supply requirements on a timely basis, if at all. In addition, only a limited number of manufacturers can supply certain pharmaceuticals. The manufacturing process for our products is highly regulated and we will need to contract with manufacturers that can meet the relevant regulatory agencies' requirements on an ongoing basis. If third-party manufacturers with whom we contract for large-scale production fail to perform their obligations, we may not be able to meet commercial demands for our products.

Our failure to complete or meet key milestones relating to the development of our technologies and proposed products and formulations would significantly impair the viability of our Company

In order to be commercially viable, we must research, develop, obtain regulatory approval for, manufacture, introduce, market and distribute formulations or products incorporating our technologies. For each drug that we formulate which incorporates our drug delivery technology, we must meet a number of critical developmental milestones, including:

- a demonstration of the benefit from delivery of each specific drug through our drug delivery technology;
- a demonstration, through non-clinical and clinical trials, that our drug delivery technology is safe and effective; and
- the establishment of a viable GMP-licensed facility capable of potential scale-up.

The estimated required capital and time-frames necessary to achieve these developmental milestones are subject to inherent risks, many of which may be beyond our control. As such, we may not be able to achieve these or similar milestones for any of our proposed products or other product that we may develop in the future. Our failure to meet these or other critical milestones would adversely affect the viability of our Company.

If we fail to maintain or establish satisfactory agreements with our suppliers, we may not be able to obtain materials that are necessary to develop our products

We depend on outside suppliers for the pharmacologically active compounds that are incorporated into our products. These raw materials or components may not always be available at our standards or on terms acceptable to us, or at all, and we may be unable to locate alternative suppliers or produce necessary materials or components on our own. If we are unable to obtain the necessary materials, we may be unable to manufacture products of sufficient quality in adequate quantities to meet our customers' needs. We may also be unable to develop new products and applications and conduct clinical trials. This would compromise our ability to obtain necessary regulatory approvals, thereby impairing our ability to expand into new markets or develop new products. In such event, our business, financial condition and results of operations would be materially and adversely affected.

We are exposed to various global and local risks that could have a material adverse effect on our financial condition and results of operations

We currently develop and manufacture products in our manufacturing facility in Croydon, Victoria, Australia. We may expand our operations to other parts of the world upon obtaining the requisite regulatory approvals. Consequently, we may face complex legal and regulatory requirements in multiple jurisdictions, which may expose us to certain financial and other risks, including currency fluctuations. International sales and operations are subject to a variety of risks, including:

- greater difficulty in staffing and managing foreign operations;
- greater risk of uncollectible accounts;
- longer collection cycles;
- logistical and communications challenges;
- potential adverse changes in laws and regulatory practices, including export licensing;
- unexpected changes in trade barriers, tariffs and tax laws;
- changes in labour conditions;
- burdens and costs of compliance with a variety of foreign laws;
- political and economic instability;
- increases in duties and taxation;
- greater difficulty in protecting intellectual property;
- compliance with tax, employment, immigration and labour laws for employees living or travelling abroad; and
- general economic and political conditions in these foreign markets.

International markets are also affected by economic pressure to contain reimbursement levels and healthcare costs. Profitability from our international operations may be limited by risks and uncertainties related to regional economic conditions, regulatory and reimbursement approvals, competing products, infrastructure development, intellectual property rights protection and our ability to implement our overall business strategy.

We expect these risks to increase if we expand our operations into new geographic markets. We may not succeed in developing and implementing effective policies and strategies in each location where we conduct business. Any failure to do so may materially and adversely affect our business, financial condition and results of operations.

Our manufacturing and sales operations expose us to currency fluctuation risks

Substantially all of our revenue and expenses are denominated in SGD, USD and AUD. However, we intend to sell our products in countries other than Australia. Assets, liabilities, income and expenses in foreign currencies give rise to exposure to currency fluctuation risks. A weakening of the AUD against other currencies reduces our reported assets, liabilities, income and expenses, while a strengthening of the AUD against other currencies increases these items. Although currency fluctuations have not had any significant impact on our reported assets, results or comparability of our results between various time periods, it could have an impact in the future.

We currently hold some cash balances in foreign currencies as a partial hedge against foreign currency fluctuation risks in our projected expenditure denominated in such foreign currencies. Although the impact of currency fluctuations has been partially mitigated by such a strategy, there can be no assurance that

such a strategy will be sufficient to reduce or eliminate the adverse impact of such fluctuations in the future. In addition, other currency hedging instruments that we may implement in the future may not be adequate or effective to eliminate or minimise such currency fluctuation risks. In the event that we are unable to adequately or effectively manage or mitigate currency fluctuation risks, our results of operations may be materially and adversely affected.

We may be subject to fines, penalties or injunctions if we are found to be promoting the use of our products for unapproved or "off-label" uses or in a false or misleading manner

Our product labelling, advertising and promotion are subject to regulatory requirements and continuing regulatory review. The FDA strictly regulates the promotional claims that may be made about prescription drug products in the US. In particular, a drug product may generally not be promoted for uses that are not approved by the FDA as reflected in the product's approved labelling, although the FDA does not regulate the prescribing practices of physicians. Further, labelling and advertising of these products may not be false or misleading in any particular. The FDA and other agencies actively enforce the laws and regulations prohibiting the promotion of "off-label" uses and false or misleading promotion. A company that is found to have improperly promoted its products in such ways may be subject to significant liability, including substantial monetary penalties and criminal prosecution under the FD&C Act and other applicable US laws.

If we are incorrect in our belief that our promotional materials provided to, and training methods for, physicians are conducted in compliance with regulations of the FDA and other applicable regulations in other jurisdictions, and the FDA or other regulatory authorities determine that our promotional materials or training constitutes the unlawful promotion of an unapproved use, the FDA could request that we modify our training or promotional materials or subject us to regulatory enforcement actions, including the issuance of a warning letter, an injunction, a seizure, civil penalties and criminal fines.

The FDA's regulations, policies or guidance may change and new or additional statutes or government regulations that could prevent or delay regulatory approval of our products or further restrict or regulate post-approval activities may be enacted. We are unable to predict the likelihood, nature or extent of adverse government regulation that may arise from future legislation or administrative action, either in the United States or abroad. If we are unable to achieve and maintain regulatory compliance, we may not be permitted to market our products, which would adversely affect our ability to generate revenue and achieve or maintain profitability.

We expect to depend on collaborating partners to market and sell some of our products, and these collaborations may not be successful

We intend to enter into collaborative agreements with other parties in the future relating to the commercialisation of our products in markets other than Australia. Our success depends on our ability to attract collaborating partners and to enter into collaborative agreements with such partners on terms favourable to us.

Factors that may affect the success of our collaborations include the following:

- our collaborating partners may be pursuing alternative technologies or developing alternative products, either on their own or in collaboration with others, that may be competitive with products on which they are collaborating with us or which could affect our collaborating partners' commitment to the collaboration with us;

- reductions in marketing or sales efforts or a discontinuation of marketing or sales of our products by our collaborating partners would reduce the royalties received by us, which are based on the sales of our products by the collaborator; and

- our collaborating partners may terminate their collaborations with us, which could make it difficult for us to attract new collaborating partners or adversely affect our reputation in the business and financial communities.

If we are unable to collaborate with other parties successfully, we may not be able to commercialise our products outside of Australia, which would materially and adversely affect our ability to generate revenue, and therefore our business, financial condition and results of operations.

If we are unable to successfully manage our growth and support demand for our chemical analysis business, our business may be materially and adversely affected

We operate a chemical analysis and testing laboratory in Croydon, Victoria, Australia. As the demand for our chemical analysis and testing services increases, we will need to increase our testing capacity, implement increases in scale and related processing, customer service, billing and systems process improvements and expand our internal quality assurance programme to support testing on a larger scale. We will also need additional certified laboratory scientists and other scientific and technical personnel to process our tests. We cannot assure you that any increases in scale, related improvements and quality assurance will be successfully implemented or that appropriate personnel will be available. As additional products are developed, we may need to bring new equipment on-line, implement new systems, technology, controls and procedures and hire personnel with different qualifications. There is significant competition for qualified, productive sales personnel with advanced sales skills and technical knowledge in our field. Our ability to achieve significant growth in revenue in the future will depend, in large part, on our success in recruiting, training, and retaining sufficient qualified sales personnel.

The value of our testing laboratory depends, in large part, on our ability to perform chemical analysis and testing services on a timely basis and at a high quality standard, and on our reputation for such timeliness and quality. Failure to implement necessary procedures, transition to new equipment or processes or hire new personnel could result in higher costs of processing or an inability to meet market demand in a timely manner. We cannot assure you that we will be able to perform chemical analysis and testing services, if any, on a timely basis at a level consistent with demand, that our efforts to scale our commercial operations will not negatively affect the quality of test results or that we will be successful in responding to the complexity of our testing operations. If we encounter difficulty meeting market demand for our current and future solutions, our reputation could be harmed and our future prospects and our business may be materially and adversely affected.

RISKS RELATING TO INTELLECTUAL PROPERTY, REGULATORY ISSUES AND LITIGATION

Our commercial success depends on the adequate protection of our patents, intellectual property rights and other proprietary rights

Our continued success depends in part on our ability to protect methods and technologies that we develop under patent and other intellectual property laws of many countries, prevent third parties from infringing upon our proprietary rights and operate without infringing upon the proprietary rights of others.

Our strategy depends on our ability to rapidly identify and seek patent protection for our technologies and products. This process is expensive and time-consuming, and we may not be able to file and prosecute all necessary or desirable patent applications at a reasonable cost or in a timely manner. We cannot assure you that any intellectual property right or protection we have or may obtain in the future will provide any competitive advantage for our products or that they will not be successfully challenged, narrowed, invalidated or circumvented. Since certain patent applications are confidential until patents are issued, third parties may have filed patent applications for technology covered by our pending patent applications without our being aware of such applications, and our patent applications may not have priority over patent applications of others, if any.

Despite our efforts to protect our rights, unauthorised parties may be able to obtain and use information that we regard as proprietary. We rely on a combination of patent, copyright and trademark laws, trade secrets, confidentiality policies, non-disclosure and other contractual arrangements to protect our intellectual property rights. We cannot assure you that we will be able to detect unauthorised use or take appropriate, adequate and timely actions to enforce our intellectual property rights. The issuance of a patent does not guarantee that it is valid or enforceable, and therefore even if we obtain patents, they may not be valid or enforceable against third parties.

Our pending patent applications (including those in the US and Europe) may not result in issued patents. The patent position of pharmaceutical or biotechnology companies, including ourselves, is generally uncertain and involves complex legal and factual considerations. The standards that patent offices in different countries use to grant patents are not always applied predictably or uniformly and may be changed. Neither is there any uniform, worldwide policy regarding the subject matter and scope of claims granted or allowable in pharmaceutical or biotechnology patents. Third parties may be able to design around our issued patents or independently develop products having effects similar or identical to our patented products. Consequently, we do not know the degree of future protection for our proprietary rights or the breadth of claims allowed under any patents issued to us or to others.

We also cannot assure you that any patents issued to us will not become the subject of a re-examination or other post-grant review, will provide us with competitive advantages and/or will not be challenged by any third parties, nor can we assure you that the patents of others will not prevent the commercialisation of products incorporating our technology.

If we are unable to adequately protect our intellectual property, our market share, business, financial condition and results of operations may be materially and adversely affected.

If we are unable to protect the confidentiality of our trade secrets and know-how, the value of our technology and products will be adversely affected

We rely upon unpatented trade secrets to protect our proprietary know-how and continuing technological innovations, especially where we do not believe patent protection is appropriate or obtainable. However, trade secrets are difficult to protect. We rely in part on confidentiality agreements with our employees, consultants, CROs and other advisers to protect our trade secrets and other proprietary information. These agreements may not effectively prevent disclosure of confidential information and may not provide an adequate remedy in the event of unauthorised disclosure of confidential information. In addition, others may independently discover our trade secrets and proprietary information. Costly and time-consuming litigation could be necessary to enforce and determine the scope of our proprietary rights. Failure to protect our trade secrets, know-how and techniques could enable our competitors to use our proprietary information to develop products that compete with our products and may undermine our competitive position and adversely affect the value of our products. In such an event, our business and prospects may be materially and adversely affected.

If we infringe third party intellectual property rights, our business will be adversely affected

The pharmaceuticals sector has experienced rapid technological change and obsolescence in the past, and our competitors have strong incentives to stop or delay our introduction of new products and drug delivery technologies. Several of the companies in these markets have been able to capture significant market share by introducing new technologies.

These companies have maintained their positions in the market by, among others, establishing intellectual property rights relating to their products and enforcing these rights aggressively against their competitors and potential new entrants into the market. We may pose a competitive threat to many of these companies. Accordingly, many of these companies and others against which we would compete directly will have a strong incentive to take steps, through patent litigation or otherwise, to prevent us from commercialising our products.

Our commercial success depends in part on not infringing patents and proprietary rights of third parties. It is not always clear to industry participants, including us, which patents cover various types of drugs, products or their methods of use. Due to the large number of patents issued and patent applications filed in our fields, there may be a risk that third parties may allege that they have patent rights encompassing our products, technology or methods. Although we are not currently aware of litigation or other proceedings or third party claims of intellectual property infringement related to our products, the fact that no third party has asserted a patent infringement claim against us to date should not be taken as an indication, or a level of comfort, that a patent infringement claim will not be asserted against us upon commercialisation of a particular product. The pharmaceutical industry is characterised by extensive litigation regarding patents and other intellectual property rights.

If our Wafernyl and PheoniX products are approved for registration under the ARTG, we may expand our sales of these products in Australia and commercialise our products in other parts of the world. As we enter our target markets, it is possible that competitors or other third parties will claim that our products and/or processes infringe their intellectual property rights. These third parties may have obtained and may in the future obtain patents covering products or processes that are similar to, or may include compositions or methods that encompass our technology, allowing them to claim that the use of our technologies infringes these patents. We may therefore be exposed to, or threatened with, future litigation by third parties having patent or other intellectual property rights alleging that our products or proprietary technologies infringe their intellectual property rights. These lawsuits are costly and could adversely affect our results of operations and divert the attention of our management and technical personnel. There is a risk that a court could decide that we or our partners are infringing the third party's patents and order us or our partners to stop the activities covered by the patents. In addition, there is a risk that a court could order us or our partners to pay the other party damages for having violated the other party's patents. If a third party's patents was found to cover our products, proprietary technologies or their uses, we or our collaborators could be enjoined by a court and required to pay damages and could be unable to continue to commercialise our products or use our proprietary technologies unless we or they obtained a licence to the patent. A licence may not be available to us or our collaborators on acceptable terms, if at all. In addition, during litigation, the patent holder could obtain a preliminary injunction or other equitable relief which could prohibit us from making, using or selling our products, technologies or methods pending a trial on the merits, which could be years away.

If a third party claims that we or our collaborators infringe its intellectual property rights, we may face a number of issues, including, but not limited to:

- infringement and other intellectual property claims which, regardless of merit, may be expensive and time-consuming to litigate and may divert our management's attention from our core business;
- substantial damages for infringement, which we may have to pay if a court decides that the product at issue infringes or violates the third party's rights, and if the court finds that the infringement was wilful, we could be ordered to pay treble damages and the fees of the attorney of the patent owner;
- a court prohibiting us from selling or licensing the product unless the third party licenses its product rights to us, which it is not required to do;
- if a license is available from a third party, we may have to pay substantial royalties, upfront fees and/or grant cross-licenses to intellectual property rights for our products; and
- redesigning our products or processes so they do not infringe intellectual property rights, which may not be possible or may require substantial monetary expenditures and time.

Several of our competitors may be able to sustain the costs of complex patent litigation more effectively than we can because they have substantially greater resources. In addition, any uncertainties resulting from the initiation and continuation of any litigation could have a material adverse effect on our ability to raise additional funds or otherwise have a material adverse effect on our business, financial condition, results of operations and prospects.

We may be subject to claims that our employees, consultants or independent contractors have wrongfully used or disclosed to us alleged trade secrets of their other clients or former employers

As is common in the biotechnology and pharmaceutical industry, certain of our employees were formerly employed by other biotechnology or pharmaceutical companies or educational institutions, including our competitors or potential competitors. Moreover, we engage the services of scientific advisers and consultants to assist us in the development of our products, many of whom were previously employed at or may have previously been or are currently providing consulting or advisory services to, other biotechnology or pharmaceutical companies, including our competitors or potential competitors. We may be subject to claims that we or these employees, advisers and consultants have inadvertently or otherwise used or disclosed trade secrets or other proprietary information of their former employers or

their former or current customers. Litigation may be necessary to defend against these types of claims. Even if we are successful in defending against any such claims, any such litigation would likely be protracted, expensive, a distraction to our management team, viewed unfavourably by investors and other third parties, and may potentially result in an unfavourable outcome.

Changes in either the patent laws or in interpretations of patent laws in the United States and other countries may diminish the value of our intellectual property

We have applied for a patent for our WaferiX drug delivery technology in the United States. On 16 September 2011, the Leahy-Smith America Invents Act of the US, or the Leahy-Smith Act, was signed into law. The Leahy-Smith Act includes a number of significant changes to United States patent law. These include provisions that affect the way patent applications will be prosecuted and may also affect patent litigation. It is not yet clear what, if any, impact the Leahy-Smith Act will have on the operation of our business. However, the Leahy-Smith Act and its implementation could increase the uncertainties and costs surrounding the prosecution of our patent applications and the enforcement or defence of our issued patents, all of which could have a material adverse effect on our business, financial condition and results of operations.

If we become involved in litigation regarding our products or processes and the related intellectual property rights, we may incur substantial expense, and we may be prevented from commercialising and selling our products

Litigation regarding patents and other intellectual property rights is common in the pharmaceutical industry. Litigation may be necessary to:

- protect and enforce our current and future patents and applications;
- enforce or clarify the terms of the licences we grant or licences granted to us;
- protect our trade secrets and know-how; or
- determine the enforceability, scope and validity of the proprietary rights of third parties and defend against claims of infringement.

In the event of an intellectual property dispute, including a dispute relating to our products, we may become involved in litigation, interference or other administrative proceedings, and we may incur substantial expense and the efforts of our technical and management personnel may be diverted. The outcome of any litigation, interference or administrative proceeding would be uncertain, and even if we were to prevail, such litigation, interference or administrative proceeding may be costly and time consuming. Litigation may fail and, even if successful, may result in substantial costs and be a distraction to our management. We may not be able to prevent misappropriation of our proprietary rights, particularly in countries outside the United States, Singapore or Australia, where patent rights may be more difficult to enforce. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential or sensitive information could be compromised by disclosure in the event of litigation.

If we were found by a court to have infringed a valid patent claim, we could be prevented from using the patented technology or be required to pay the owner of the patent for the right to license the patented technology. If we decide to pursue a licence to one or more of these patents, we may not be able to obtain a licence on commercially reasonable terms, if at all, or the licence we obtain may require us to pay substantial royalties or grant cross licences to our patent rights. For example, if the relevant patent is owned by a competitor, that competitor may choose not to license patent rights to us. If we decide to develop alternative technology, we may not be able to do so in a timely or cost-effective manner, if at all.

It is possible that we may in the future receive communications from competitors and other companies alleging that we may be infringing their patents, trade secrets or other intellectual property rights, offering licences to such intellectual property or threatening litigation. In addition to patent infringement claims, third parties may assert copyright, trademark or other proprietary rights against us. We may need to expend considerable resources to counter such claims and may not be successful in our defence. Our

business may suffer if a finding of infringement is established. In addition, during the course of litigation there could be public announcements of the results of hearings, motions or other interim proceedings or developments. If securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our Shares.

We may not be able to enforce our intellectual property rights throughout the world

The laws of some foreign countries do not protect intellectual property rights to the same extent as the laws of the United States, Singapore or Australia. Many companies have encountered significant problems in protecting and defending intellectual property rights in certain foreign jurisdictions. The legal systems of some countries, particularly developing countries, do not favour the enforcement of patents and other intellectual property protection, especially those relating to life sciences. This could make it difficult for us to stop the infringement of our patents or the misappropriation of our other intellectual property rights. For example, many foreign countries have compulsory licensing laws under which a patent owner must grant licences to third parties. In addition, many countries limit the enforceability of patents against third parties, including government agencies or government contractors. In these countries, patents may provide limited or no benefit.

Proceedings to enforce our patent rights in foreign jurisdictions could result in substantial costs and divert our efforts and attention from other aspects of our business. Accordingly, our efforts to protect our intellectual property rights in such countries may be inadequate. In addition, changes in the law and legal decisions by courts in the United States and foreign countries may affect our ability to obtain adequate protection for our technology and the enforcement of intellectual property.

If we become involved in litigation regarding our out-licensing or distribution arrangements, we may incur substantial expense

We may in future out-license the rights to our projects, technologies or products, or grant distribution rights to certain distributors in specific territories around the world. In certain cases, more than one distributor may have exclusive distribution rights with respect to certain products in a particular territory. In the event of a dispute regarding the rights of our distributors, including, but not limited to, disputes relating to exclusivity, we may become involved in litigation or other legal proceedings, and we may incur substantial expense and the efforts of our management personnel may be diverted in order to resolve such disputes. The outcome of any litigation or legal proceeding would be uncertain, and even if we were to prevail, such litigation or legal proceeding may be costly and time-consuming.

We are subject to numerous complex regulations and failure to comply with these regulations, or the cost of compliance with these regulations, may harm our business

We manufacture our Wafermine and Wafernyl products at our manufacturing facility located at Croydon, Victoria, Australia. Our manufacturing facility is a GMP-licensed facility which holds a licence required to manufacture and supply non-sterile pharmaceutical products, including wafers, tablets, capsules, creams and liquids, and which is subject to FDA and TGA regulations. In addition, ketamine and fentanyl, the active pharmacological ingredients in Wafermine and Wafernyl respectively, are controlled drugs which are regulated by the DEA under the Controlled Substances Act and the TGA under Schedule 8 of the Poisons Standard 2015. Schedule 8 of the Poisons Standard 2015 includes drugs with a recognised therapeutic use but which require restriction of manufacture, supply, distribution, possession and use to reduce abuse, misuse and physical or psychological dependence. Such items are classified in the United States by the DEA as Schedule II drugs. In the United States, ketamine is classified as a Schedule III drug, that is, it has a potential for abuse less than the drugs or other substances in Schedules I and II. Our facility is consequently subject to strict manufacturing guidelines. We also manufacture and supply Wafermine to private or public hospitals, or public institutions in Australia under an exemption set out in Schedule 5A of the TGR for use in connection with a patient of the entity. FDA and TGA regulations stipulate that pharmaceutical products are to be produced under current good manufacturing practices, or quality system regulations during the manufacturing process.

The research, testing, development, manufacturing, quality control, approval, labelling, packaging, storage, record keeping, promotion, advertising, marketing, distribution, possession and use of our products and product candidates which are undertaken at our facility are subject to regulation by numerous governmental authorities in the United States and elsewhere.

The FDA regulates drugs under the FD&C Act and its implementing regulations. Non-compliance with any applicable regulatory requirements may result in the refusal to approve products for marketing, warning letters, product recalls or seizure of products, total or partial suspension of production, prohibitions or limitations on the commercial sale of products or refusal to allow the entering into of federal and state supply contracts, fines, civil penalties and/or criminal prosecution under the FD&C Act as well as other applicable state and federal laws. Additionally, the FDA and comparable governmental authorities have the authority to withdraw product approvals that have been previously granted. Moreover, the regulatory requirements relating to our products may change from time to time and it is impossible to predict what the impact of any such changes may be. For example, pharmaceutical manufacturers (including foreign companies working through US subsidiaries or partners) have recently faced administrative, civil, and criminal sanctions for violating the FD&C Act by allegedly promoting their products for unapproved uses, promoting their products in a false or misleading manner, failing to comply with FDA regulations governing GMPs, failing to follow FDA regulations governing adverse product event record-keeping and reporting, violating FDA regulations governing clinical testing, and making materially false statements to FDA officials during the course of facility and other inspections. Given the evolving and complex nature of regulatory requirements, the broad authority and discretion of the FDA and the generally high level of regulatory oversight results in a continuing possibility that from time to time, we may be adversely affected by regulatory actions despite ongoing efforts and commitment to achieve and maintain full compliance with all regulatory requirements.

Wafermine and Wafernyl are controlled substances as defined in the Controlled Substances Act which establishes, among other things, certain registration, production quotas, security, record-keeping, reporting, import, export and other requirements administered by the DEA. The manufacture, shipment, storage, sale and use, among other things, of controlled substances that are pharmaceutical products are subject to a high degree of regulation. The DEA also conducts periodic inspections of certain registered establishments that handle controlled substances. Facilities that conduct research, manufacture, distribute, import or export controlled substances must be registered to perform these activities and have the security, control and inventory mechanisms required by the DEA to prevent drug loss and diversion. Failure to maintain compliance, particularly noncompliance resulting in loss or diversion, may result in regulatory action that could have a material adverse effect on our business, results of operations, financial condition and prospects. The DEA may seek civil penalties, refuse to renew necessary registrations, or initiate proceedings to restrict, suspend or revoke those registrations. In certain circumstances, violations could lead to criminal proceedings.

Individual US states also regulate controlled substances, and we, as well as our third party suppliers and manufacturers, are subject to such regulation by several states with respect to the manufacture and distribution of these products. Though state controlled substances laws often mirror federal law, because the states are separate jurisdictions, they may separately schedule our products. While some states automatically schedule a drug when the DEA does so, other states schedule drugs through rule-making or a legislative action. State scheduling may delay commercial sale of any product for which we obtain federal regulatory approval and adverse scheduling could have a material adverse effect on the commercial attractiveness of such product. We or our partners must also obtain separate state registrations, permits or licences in order to be able to obtain, handle, and distribute controlled substances for clinical trials or commercial sale, and failure to meet applicable regulatory requirements could lead to enforcement actions and sanctions by the states in addition to those from the DEA or otherwise arising under federal law.

We may also be subject to various privacy and security regulations, including, but not limited to, the Health Insurance Portability and Accountability Act of 1996 ("**HIPAA**"), as amended by the Health Information Technology for Economic and Clinical Health Act of 2009 ("**HITECH**"), and their respective implementing regulations, including the final omnibus rule published on 25 January 2013. HIPAA mandates, among other things, the adoption of uniform standards for the electronic exchange of information in common healthcare transactions, as well as standards relating to the privacy and security of individually identifiable health information, which require the adoption of administrative, physical and technical safeguards to protect such information. Among other things, HITECH makes HIPAA's privacy and security standards directly applicable to "business associates", which are independent contractors or agents of covered entities that receive or obtain protected health information in connection with providing a service on behalf of a covered entity. HITECH also increased the civil and criminal penalties that may

be imposed against covered entities, business associates and possibly other persons, and gave state attorneys general new authority to file civil actions for damages or injunctions in federal courts to enforce the federal HIPAA laws and seek attorney's fees and costs associated with pursuing federal civil actions. In addition, state laws govern the privacy and security of health information in certain circumstances, some of which are more stringent then HIPAA and many of which differ from each other in significant ways and may not have the same effect, thus complicating compliance efforts. Failure to comply with these laws, where applicable, can result in the imposition of significant civil and criminal penalties.

Finally, the FDA, the DEA, or state regulators could also impose new regulations concerning the manufacture, storage, transportation, scheduling and sale of prescription narcotics, including fentanyl-based products. Such regulations may include new labelling requirements, the development and implementation of formal REMS, restrictions on prescription and sale of these products and mandatory reformulation of our products in order to make abuse more difficult. On 27 September 2007, Congress passed legislation authorising the FDA to require companies to undertake post-approval studies in order to assess known or signaled potential serious safety risks and to make any labelling changes necessary to address safety risks. Congress also empowered the FDA to require companies to formulate REMS to confirm a drug's benefits outweigh its risks. On 19 April 2011, the FDA issued letters to manufacturers of long-acting and extended-release opioid drug products requiring them to develop and submit to the FDA a post-market REMS plan to require that training is provided to prescribers of these products, and that information is provided to prescribers that they can use in counselling patients about the risks and benefits of opioid drug use. The Obama Administration has also released a comprehensive action plan to reduce prescription drug abuse, and on 21 October 2015 issued a presidential memorandum requiring federal health care practitioners who prescribe controlled substances as part of their federal responsibilities to receive training on opioid prescribing practices. In addition, state health departments and boards of pharmacy have authority to regulate distribution and may modify their regulations with respect to prescription narcotics in an attempt to curb abuse. In either case, any such new regulations or requirements may be difficult and expensive for us to comply with, may delay our introduction of new products, may adversely affect our total revenues and may have a material adverse effect on our business, results of operations, financial condition and cash flows.

Our ability to manufacture our products depends on our ability to obtain the relevant licences and permits and/or renew the relevant licences and permits required for our manufacturing operations

Our manufacturing facility in Australia holds a licence issued by the state government of Victoria, Australia, allowing it to manufacture and sell or supply wholesale drugs including fentanyl, which is the active ingredient in our Wafernyl product. The licence, known as the "Licence To Manufacture And Sell Or Supply By Wholesale Schedule 8 Or Schedule 9 Poisons (Other Than Heroin)", will expire on 2 October 2016. If we are unable to renew this licence and other licences and permits that are required for our manufacturing operations, we may be unable to manufacture our products at our manufacturing facility, which may have a material adverse impact on our business, results of operations and financial position.

Changes to the interpretation of regulations governing the requisite regulatory approval required for marketing and sale of our products may delay or adversely impact our ability to commercialise our products

We intend to avail ourselves of the expedited regulatory pathway set out under Section 505(j) or Section 505(b)(2) of the FD&C Act to market our products more quickly, where it is appropriate to do so. For instance, we are exploring whether Wafernyl may be approved for registration in the US using the expedited regulatory pathway under Section 505(j) of the FD&C Act by submitting an ANDA on the basis of bioequivalence with an existing FDA-approved drug.

NDA applications under Section 505(b)(2) of the FD&C Act may be submitted for pharmaceuticals that represent a modification of an FDA-approved pharmaceutical, for example, a new dosage form or route of administration, and for which investigations other than bioavailability or bioequivalence studies are essential to the pharmaceutical's approval. Section 505(b)(2) applications may rely on the FDA's previous findings for the safety and effectiveness of the FDA-approved pharmaceutical as well as information obtained by the Section 505(b)(2) applicant needed to support the modification of the FDA-approved pharmaceutical. Preparing Section 505(b)(2) applications is generally less costly and time-consuming than preparing an NDA based entirely on new data and information.

The FDA's current regulations governing Section 505(b)(2) or its current working policies, based on its interpretation of those regulations (whether the regulation is changed or not), may change in such a way as to adversely impact our applications for approval that seek to utilise the Section 505(b)(2) approach to reduce the time and effort required to seek approval.

Such changes could result in additional costs associated with additional studies or clinical trials and delays. Section 505(b)(2) applications may be delayed because of market exclusivity awarded to the FDA-approved pharmaceutical or because patent rights are being adjudicated. If this approval pathway is not available to us with respect to a particular formulation or product, or at all, the time and costs associated with developing and commercialising such formulations or products may be prohibitive. In such an event, we will be delayed from commercialising our products and this could materially and adversely affect our business, financial condition, results of operations and prospects.

Certain of our products contain controlled substances

The active compound in Wafernyl is fentanyl and in Wafermine is ketamine. Fentanyl and ketamine are classified as controlled substances in many jurisdictions. The manufacture, shipment, export, sale and use of these products are subject to a high degree of regulation and accountability. In the United States, controlled substances are regulated by the DEA. The DEA regulates chemical compounds as Schedule I, II, III, IV or V substances, with Schedule I and II substances considered to present the highest risk of substance abuse and Schedule V substances the lowest risk. Fentanyl and ketamine are listed by the DEA as Schedule II and Schedule III substances respectively and are regulated under Schedule 8 of the Poisons Standard 2015. As controlled substances, the manufacture, shipment, export, sale and use of these products are subject to a high degree of regulation and accountability. These regulations are also imposed on prescribing physicians and other third parties, making the use of such products relatively complicated and expensive. For example, all regular Schedule II drug prescriptions must be signed by an authorised healthcare provider and may not be refilled.

Despite the strict regulations on the marketing, distribution, prescription and dispensation of such substances, illicit use and abuse of controlled substances are well-documented. The DEA has expressed specific concerns to the FDA regarding the potential for abuse of the drug fentanyl, and we cannot assure you that the DEA will not seek specific restrictions on the marketing of certain fentanyl products, including Wafernyl. The marketing of our products, if approved, may generate public controversy that may adversely affect the market acceptance of our products.

We may develop products in future which may contain other compounds regulated by the DEA. In some cases, products containing controlled substances have generated public controversy which, in extreme cases, has resulted in further restrictions on marketing or even withdrawal of regulatory approval. In addition, negative publicity may bring about rejection of the product by the medical community. If the DEA or the FDA withdrew the approval of, or placed additional significant restrictions on, the marketing of any of our products, our business, financial condition or results of operations could be materially and adversely affected.

Safety issues with our products or with approved products of third parties that are similar to our products could delay or prevent the regulatory approval process or result in restrictions on labelling

Discovery of previously unknown problems with an approved product or issues arising that are not satisfactorily resolved may result in restrictions on its permissible uses, including withdrawal of the medicine from the market. Although ketamine has been used successfully in patients for many years, newly observed adverse effects or worsening of adverse effects in pre-clinical studies of, or in patients receiving, ketamine, or reconsideration of known adverse effects of ketamine in the setting of new indications, could result in increased regulatory scrutiny of Wafermine. In Australia, although Wafermine is not included on the ARTG, sublingual ketamine has been included in the Guidelines for the Treatment of Neuropathic Pain issued by WATAG on 17 July 2013 as a fourth-line therapeutic option for use in highly selected patients by pain medicine and palliative care specialists only in the treatment of neuropathic pain. However, WATAG notes that there is limited data on its safety with long-term use, including its cognitive or hepatic effects, and that ketamine use carries a possible risk of abuse and diversion. We are currently manufacturing and supplying Wafermine to hospitals in Western Australia under an exemption

set out in Schedule 5A of the TGR. If known adverse effects, including abuse and diversion, worsen with long term use, or new adverse effects are observed, sublingual ketamine could be removed from the WATAG notice, physicians may not be willing to prescribe Wafermine, and our ability to register Wafermine for marketing approval on the ARTG and the FDA could be jeopardised.

In the US, ketamine is regulated by the DEA under the Controlled Substances Act as a Schedule III drug. DEA scheduling is a separate process that can delay when a drug may become available to patients beyond an NDA approval date, and the timing and outcome of such DEA process is uncertain. If Wafermine were to be scheduled under the Controlled Substances Act, such scheduling could also negatively impact the ability or willingness of physicians to prescribe Wafermine and our ability to commercialise it, in which event, our business, financial condition and results of operations would be materially and adversely affected.

Our ability to manufacture and supply our products in Australia is dependent on the continued applicability of the exemption under Schedule 5A of the TGR

We manufacture and supply Wafermine to private or public hospitals, or public institutions in Australia under an exemption in Schedule 5A of the TGR for use in connection with a patient of an entity. This exemption allows us to manufacture and supply our products to hospitals in Australia even though our products are not included on the ARTG. It is a requirement of Schedule 5A of the TGR that, among others, there are no listed or registered pharmaceuticals available for use that are substantially similar to the exempted product, and that goods are manufactured at premises located in Australia by a party holding a licence that authorises the manufacture, or a step in the manufacture, of the products at the premises. The Therapeutic Goods Act 1989 (Cth) of Australia necessitates that the pharmaceuticals be produced under current good manufacturing practices, or quality system regulations, as required for the relevant unit operations within the manufacturing process. If we are found to be in breach of applicable TGA regulations or any conditions imposed by the TGA, the TGA may revoke our GMP licence and/or withdraw our exemption in Schedule 5A of the TGR. In such an event, we will be unable to manufacture and supply our products in Australia, and our business, financial condition and results of operations will be materially and adversely affected.

Tax authorities in several jurisdictions, including Singapore, Australia and the US, may assert that our activities have been or are subject to a greater tax burden than that reported by us to such authorities

We currently have business operations in Australia which may expand to other geographical locations. Tax authorities from several jurisdictions, including Singapore and Australia, may take the position that we have not complied with all applicable tax laws or may disagree with the amount of taxes that we believe we are required to pay based on consultations with our professional tax and legal advisers. For example, the Australian tax authorities may take a different view as to the manner in which Syrinx and CAPL had filed their tax prior to our acquisition in May 2014. In addition, certain cross-border payments relating to our technology could be subjected to a withholding tax in the country of source.

We cannot assure you that the tax authorities will not assert that a tax greater than the amount paid and/or reserved is due and owing with respect to our income for prior or future fiscal years, and therefore our present or future tax reserve may not be adequate. We will continue to evaluate our tax position and, with the advice of our professional tax and legal advisers, may decide to change our tax reporting and/or tax reserve policies in future periods.

Our operations involve hazardous materials, and we must comply with environmental laws and regulations, which can be expensive

Our research and development and manufacturing activities involve the controlled use of hazardous materials. Our operations may produce hazardous waste products. We are subject to a variety of government, state and local environmental regulations relating to, among other matters, the use, handling, storage and disposal of these materials and the remediation of hazardous substances at currently or formerly owned or operated properties or at third-party waste disposal sites. We generally contract with third parties for the disposal of such materials. We are unable to eliminate the risk of accidental contamination or injury from these materials. If an accident or contamination occurs, or if we

fail to comply with environmental laws and regulations, we would likely incur significant costs associated with civil penalties or criminal fines and in complying with environmental laws and regulations because we do not have any insurance for liabilities arising from our use or handling of hazardous materials. Compliance with environmental laws and regulations is expensive, and current or future environmental regulation may impair our research, development or production efforts. We cannot assure you that we will not be required to incur substantial costs to comply with current or future environmental and safety regulations. Environmental laws and regulations may require us to undertake or pay for investigation, clean-up and monitoring of environmental contamination identified at facilities that we own or operate or that we have formerly owned or operated. Further, they may require us to undertake or pay for such measures at offsite locations where we may have transported hazardous substances for disposal. In the event we are found to have violated environmental laws or regulations, our reputation would be harmed and we may incur substantial monetary liabilities. The licences and approvals upon which we depend for our business and operations may not be renewed or may be revoked in the event of such violation. In such event, our business, financial condition and results of operations would be materially and adversely affected.

Our products may be subject to certain pricing restrictions or group purchasing organisations that could reduce our product revenue

Our products will be purchased principally by hospitals or physicians which typically bill various third-party payors, such as governmental programmes (e.g. Medicare and Medicaid in the United States and comparable foreign programmes), private insurance plans and managed care plans, for the healthcare services provided to their patients. The ability of our customers to obtain appropriate reimbursement for products and services from third-party payors is critical to the success of pharmaceutical companies such as ours because it affects which products our customers purchase and the prices they are willing to pay. Third-party reimbursement is highly variable and complex. Reimbursement practices vary significantly by country, with certain countries requiring products to undergo a lengthy regulatory review in order to be eligible for government reimbursement.

There is increasing pressure by governments worldwide to contain healthcare costs by limiting both the coverage and the level of reimbursement for therapeutic products and by refusing, in some cases, to provide any coverage for products that have not been approved by the relevant regulatory agency. We cannot assure you that health administration or third party coverage will allow us to achieve pricing that provides an appropriate return on our investment.

In certain markets, the pricing of prescription drugs is subject to government control and reimbursement and may, in some cases, be unavailable. In several non-US jurisdictions, the proposed pricing for a drug must be approved before it may be lawfully marketed. The requirements governing drug pricing vary widely from country to country. For example, the European Union provides options for its member states to restrict the range of medicinal products for which their national health insurance systems provide reimbursement and to control the prices of medicinal products for human use. A member state may approve a specific price for the medicinal product or it may instead adopt a system of direct or indirect controls on the profitability of the company placing the medicinal product on the market. We cannot assure you that any country that has price controls or reimbursement limitations for pharmaceutical products will allow favourable reimbursement and pricing arrangements for any of our products.

Implementation of healthcare reforms in the United States and in other countries may limit, reduce or eliminate reimbursement for our products and adversely affect both our pricing flexibility and the demand for our products. Even when we develop a promising new product, we may find limited demand for the product unless reimbursement approval is obtained from private and governmental third-party payors.

In addition, our potential or existing customer base may organise with each other or with third parties, such as distributors, manufacturers or hospitals, to negotiate prices that are lower than we may have been able to obtain from them individually. This would materially and adversely affect our product revenue, in which event, our business, financial condition and results of operations would be materially and adversely affected.

Legislative or regulatory reform of the healthcare system in our target markets may affect our operations and profitability

In recent years, there have been numerous initiatives on the federal and state levels in the United States for comprehensive reforms affecting the payment for, the availability of and reimbursement for health care services, and it is likely that legislatures and health agencies will continue to focus on health care reform in the future. For example, the Patient Protection and Affordable Health Care Act of 2010 ("**PPACA**") and the Health Care and Education Reconciliation Act of 2010, which amends the PPACA (collectively, the "**US Health Reform Laws**"), were signed into law in March 2010 in the United States. At this point, many of the provisions of the US Health Reform Laws have been in effect for many years. Nevertheless, those laws continue to significantly affect the pharmaceutical industry. For example, the PPACA includes provisions that: (a) expand the entities eligible for discounts under the Public Health Service Section 340B Drug Pricing Program; (b) require reporting to CMS and tracking of many types of financial arrangements with physicians and teaching hospitals; (c) require annual reporting of drug product samples that manufacturers and distributors provide to physicians; (d) expand health care fraud and abuse laws in the US, including the False Claims Act and the Anti-Kickback Statute, and establish new government investigative powers and non-compliance penalties; (e) establish the Patient-Centered Outcomes Research Institute to oversee, identify priorities in, and conduct comparative clinical effectiveness research, along with funding for such research; and (f) establish the Center for Medicare and Medicaid Innovation at CMS to test innovative payment and service delivery models.

In addition, other significant legislative changes have been proposed and adopted since the PPACA was enacted. On 2 August 2011, the Budget Control Act of 2011, among other things, created measures for spending reductions by the US Congress. A Joint Select Committee on Deficit Reduction, tasked with recommending a targeted deficit reduction of at least $1.2 trillion for the years 2013 through 2021, was unable to reach required goals, thereby triggering the legislation's automatic reduction to several government programmes. This includes aggregate reductions to Medicare payments to providers of up to 2.0% per fiscal year, which started in 2013 and will continue through 2024. On 9 July 2012, the Food and Drug Administration Safety and Innovation Act expanded FDA's powers by, among other things, giving FDA the authority to collect industry user fees (such as through the Prescription Drug User Fee Act and the Generic Drug User Fee Act), establishing extended patent exclusivity and market protection for certain antibiotics, and providing for a new expedited drug development pathway for "breakthrough therapies". On 27 November 2013, the Drug Quality and Security Act, which comprises the Compounding Quality Act ("**CQA**") and the Drug Supply Chain Security Act, established a system to identify and trace prescription drugs as they travel through the supply chain in the US. CQA removed certain provisions of the FD&C Act to allow FDA to more comprehensively regulate drug compound manufacturers. On 16 April 2015, President Obama signed into law the Medicare Access and CHIP Reauthorisation Act, which repealed Medicare's sustainable growth rate formula and changed the ways Medicare pays physicians and other eligible healthcare professionals. Moving forward, Medicare payments to physicians will be based not only on the provision of services but also on quality of patient care, efficiency of resource use, and a collection of other factors. These new laws may result in additional reductions in Medicare and other health care funding, which could have a material adverse effect on our customers and accordingly, our financial operations.

We are unable to predict the future course of federal or state health care legislation in the United States. The US Health Reform Laws and further changes in the law or regulatory framework that reduce our revenues or increase our costs could also have a material adverse effect on our business, financial condition and results of operations and cash flows, and could cause the market value of our Shares to decline.

In addition, healthcare cost containment efforts are prevalent in many of the countries in which our products may be commercialised, and these efforts are expected to continue in the future, possibly resulting in the adoption of more stringent reimbursement levels and reimbursement eligibility standards for pharmaceuticals. Third-party payors, including governmental programmes such as Medicare or Medicaid in the US, private insurance plans and managed care plans, have adopted, and are continuing to adopt, a number of healthcare policies intended to curb rising healthcare costs. These policies include:

- controls on government-funded reimbursement for healthcare services and price controls on medical products and services providers;

- limits or prohibitions on reimbursement for specific therapies through other means; and
- the introduction of managed care systems in which healthcare providers contract to provide comprehensive healthcare for a fixed cost per person.

Any developments in our potential markets that eliminate or reduce reimbursement rates for our products could have an adverse effect on our ability to sell our products or cause our customers to use less expensive products in these markets.

Healthcare laws and regulations may affect the pricing of our products and may affect our profitability

In the European Union and some other international markets, the government provides health care at low cost to consumers and regulates prices, patient eligibility or reimbursement levels to control costs for the government-sponsored health care system. This international system of price regulations may lead to inconsistent prices. Within the European Union and other countries, the availability of our products in some markets at lower prices undermines our sales in some markets with higher prices. Additionally, certain countries set prices by reference to the prices in other countries where our products are marketed. Our inability to secure adequate prices in a particular country may impair our ability to obtain acceptable prices in existing and potential new markets, which may materially and adversely affect our product revenue, our business, financial condition and results of operations.

We may be unable to accurately predict future sales through distributors that purchase products directly from us, which could harm our ability to forecast sales performance

If and when our products are approved for commercialisation, sales of our products may be made through distributors that purchase our products directly from us for resale to hospitals. As a result, our financial results, quarterly product sales, trends and comparisons may be affected by fluctuations in the buying patterns and inventory levels of these distributors. We may not be consistently accurate or successful in forecasting the future sales by our distributors. Our failure to accurately forecast sales through distributors that purchase products directly from us and the failure of such distributors to maintain adequate inventory levels could lead to a decline in sales, which could materially and adversely affect our business, financial condition and results of operations.

Our products may cause undesirable side effects or have other previously unknown problems that could result in postapproval regulatory action

If we or others identify undesirable side effects, or other previously unknown problems, caused by our products, other products with the same or related active ingredients or our product candidates after obtaining US regulatory approval, a number of potentially significant negative consequences could result, including:

- regulatory authorities may withdraw their approval of the product;
- regulatory authorities may require us to recall the product;
- regulatory authorities may require the addition of warnings in the product label or narrowing of the indication in the product label;
- FDA could impose new or additional REMS requirements on our products or on any product class;
- we may be required to create a guide outlining the risks of such side effects for distribution to patients;
- we may be required to change the way the product is administered or modify the product in some other way;
- the FDA may require us to conduct additional clinical trials or costly postmarketing testing and surveillance to monitor the safety or efficacy of the product;

- we could be sued and held liable for harm caused to patients; and/or
- our reputation may suffer.

Any of the above events resulting from undesirable side effects or other previously unknown problems could prevent us from achieving or maintaining market acceptance of the affected product and could substantially increase the costs of commercialising our products.

We may be exposed to claims and may not be able to obtain or maintain adequate product liability insurance

Our business is exposed to the risk of product liability and other liability risks that are inherent in the manufacturing, testing, marketing and distribution of pharmaceutical formulations and products. These risks exist even if a product is approved for commercial sale by the FDA and manufactured in facilities licensed and regulated by the FDA. Our products are designed to affect important bodily functions and processes. Any side effects, manufacturing defects, misuse or abuse associated with our products could result in injury to a patient or even death. For example, Wafernyl is an opioid pain reliever that contains fentanyl which is a controlled substance regulated under the Controlled Substances Act and could result in harm to patients relating to its potential for abuse. A liability claim may be brought against us even if our products merely appear to have caused an injury. Product liability claims may be brought against us by consumers, health care providers, pharmaceutical companies or others selling or otherwise coming into contact with our products, among others.

In addition, the use in our clinical trials of pharmaceutical formulations and products and the subsequent sale of these formulations or products by us or our potential collaborators may cause us to bear a portion of, or all, product liability risks. A successful liability claim or series of claims brought against us could have a material adverse effect on our business, financial condition and results of operations. Moreover, even if we are successful in defending such claims and no judgments, fines, damages or liabilities are ordered against us, our reputation could suffer, which could have a material adverse effect on our business, financial condition and results of operations. Regardless of merit or eventual outcome, product liability claims may result in:

- the inability to commercialise our products;
- decreased demand for our products;
- impairment of our business reputation;
- product recall or withdrawal from the market;
- withdrawal of clinical trial participants;
- costs of related litigation;
- distraction of our management's attention from our primary business;
- substantial monetary awards to patients or other claimants; and/or
- loss of revenue.

We currently maintain clinical testing liability policies which provide coverage for various stages of our clinical trials on our pipeline products, and a life sciences liability policy to insure against the risks of our manufacturing operations resulting in claims of bodily harm or property damage. However, we or our commercial partners may be unable to obtain or maintain adequate insurance on acceptable terms, if at all, and there is a risk that our insurance will not provide adequate coverage against our potential liabilities. Furthermore, our potential partners with whom we have collaborative agreements or our future licensees may not be willing to indemnify us against these types of liabilities and may not themselves be

sufficiently insured or have sufficient assets to satisfy any product liability claims. Claims or losses in excess of any product liability insurance coverage that may be obtained by us or our partners could have a material adverse effect on our business, financial condition and results of operations.

If an action is brought against us, or liability is found against us prior to our obtaining product liability insurance for any product, or should we have liability found against us for any other matter in excess of any insurance coverage we may carry, we could face significant difficulty in continuing operations.

Our manufacturing facility must comply with applicable regulatory requirements

Our manufacturing facility at Croydon, Australia, is a GMP-licensed facility which is subject to FDA and TGA regulations. In addition, ketamine and fentanyl, the active pharmacological ingredients in Wafermine and Wafernyl, respectively, are controlled drugs which are regulated by the DEA and consequently are subject to strict manufacturing guidelines. FDA and TGA regulations stipulate that pharmaceutical products be produced under current good manufacturing practices, or quality system regulations during the manufacturing process.

We are therefore subject to continuing regulatory obligations by the FDA and the TGA. As part of such obligations, we are required to adhere to regulations setting forth current good manufacturing practices. These regulations cover all aspects of the manufacturing, testing, quality control and record-keeping relating to our products. Furthermore, we must pass a pre-approval inspection of manufacturing facilities by the regulatory authorities before obtaining marketing approval and will be subject to periodic inspection by these regulatory authorities.

Suppliers of components, materials and products used to manufacture our products must also comply with applicable regulatory requirements. Compliance with such regulatory standards often requires significant time, money, resources, record-keeping and quality assurance efforts and will subject our Group and our suppliers to potential regulatory inspections and stoppages. If our Group and our suppliers fail to comply with the regulatory requirements for manufacturing, our commercialisation efforts could be thwarted, which would materially and adversely affect our business, financial condition and results of operations.

As such, our Group will be required to demonstrate and maintain compliance with a variety of regulatory requirements. Compliance with specific regulatory requirements is subject to continual review and is rigorously monitored through periodic inspections by regulatory authorities. Product approvals or clearances by regulatory bodies may also be withdrawn due to failure to comply with regulatory standards or the occurrence of problems following initial approval.

If our Group is unable to comply with the regulatory requirements or take satisfactory corrective steps in response to an adverse inspection, this could result in enforcement actions, including a public warning letter, a shutdown of, or restrictions on, our assembly operations, delays in approving or clearing a product, refusal to permit the import or export of our products or other enforcement actions. Furthermore, regulators may proceed to ban, request the recall of any products sold by us or restrict the importation of our products. Any such regulatory action could materially and adversely affect our business, financial condition and results of operations.

In addition, certain changes in our manufacturing processes or procedures, including a change in the location where the product is manufactured, generally require the prior approval of the FDA or other regulatory authority. We may need to conduct additional pre-clinical studies and clinical trials to support approval of such changes. This review and approval process may be costly and time-consuming, and could impede, delay, limit or prevent commercialisation of a product.

We may be affected by any failure to procure the renewal of our "Halal" certification

As part of our strategy, we intend to develop and commercialise a portfolio of our products to gain market share in Australia and other parts of the world. Our products are awarded a "Halal" certification in Australia by Halal Australia. Our "Halal" certification is valid for a period of one year from 1 March 2016 until 1 March 2017. In order to maintain the Halal status, our manufacturing facility will be inspected on a random basis by Halal Australia at least once a year. In the event that our manufacturing facility or any of

our products are found to be non-compliant with "Halal" requirements during the validity period, our "Halal" certification may be revoked by Halal Australia. In addition, we may not be able to renew our "Halal" certification after the expiry of the validity period. Such non-renewal may have a material adverse effect on our operations and profitability as we may not, in such event, be able to commercialise our products in countries with a significant Muslim population.

Our business and operations would suffer in the event of system failures

Despite the implementation of security measures, our internal computer systems and those of our current and any future partners, contractors and consultants are vulnerable to damage from computer viruses, unauthorised access, natural disasters, terrorism, war and telecommunication and electrical failures. While we have not experienced any such material system failure, accident or security breach to date, if such an event were to occur and cause interruptions in our operations, it could result in a material disruption of our commercialisation activities, drug development programmes and our business operations. For example, the loss of clinical trial data from completed or future clinical trials could result in delays in our regulatory approval efforts and significantly increase our costs to recover or reproduce the data. Likewise, we rely on a number of third parties to supply components for our products and conduct clinical trials, and similar events relating to their computer systems could also have a material adverse effect on our business. To the extent that any disruption or security breach results in a loss of, or damage to, our data or applications, or inappropriate disclosure of confidential or proprietary information, we could incur liability and the further commercialisation and development of our products could be delayed.

We are subject to healthcare fraud and abuse regulations that could result in significant liability, require us to change our business practices and restrict our operations in the future

We are subject to various federal, state and local laws targeting fraud and abuse in the healthcare industry, including anti-kickback and false claims laws. Violations of these laws are punishable by criminal or civil sanctions, including substantial fines, imprisonment and exclusion from participation in healthcare programmes such as Medicare and Medicaid in the United States and health programmes outside the United States. These laws and regulations are wide ranging and subject to changing interpretation and application, which could restrict our sales or marketing practices. Furthermore, since our customers may rely on reimbursement from Medicare, Medicaid and other governmental programmes to cover a substantial portion of their expenditures, our exclusion from such programmes as a result of a violation of these laws could have a material adverse effect on our business, results of operations, financial condition and cash flow.

If our employees or agents violate anti-bribery laws in various jurisdictions, we may incur fines or penalties, or experience other adverse consequences

We are subject to anti-bribery laws in international jurisdictions which generally prohibit companies and their intermediaries from making improper payments for the purpose of obtaining or retaining business. We expect that the predominance of government-sponsored healthcare systems around the world would result in many of our future customer relationships being with governmental entities and therefore subject to anti-bribery laws. If our employees or agents violate the provisions of any anti-bribery law, we may incur fines or penalties, we may be unable to market our products in other countries or we may experience other adverse consequences which could have a material adverse effect on our business, financial condition and results of operations.

The medical industry is undergoing increased scrutiny and regulation by governmental authorities, leading to uncertainty in the present and future costs of business and compliance

The pharmaceutical industry is heavily regulated. Our products and related business activities are subject to intense and increasing scrutiny and regulation by the FDA, other federal and state laws in the US and foreign governmental authorities. Our products, if and when approved for commercial sale in our target markets, are subject to local regulations. Any changes to our products may require additional approvals. The process of obtaining such approvals from the relevant regulatory agencies and complying with the relevant local legislations is time-consuming and expensive.

Additionally, both federal and state laws in the United States have been passed or are being legislated regarding the disclosure of compensation made to health care providers. The additional regulation and disclosure requirements may increase compliance costs, increase our exposure to litigation, and adversely impact our business.

GENERAL RISKS

Terrorist attacks, armed conflicts, increased hostilities, fire, flood or other natural disasters could adversely affect our performance

Terrorist attacks, armed conflicts, increased hostilities and other acts of violence or war as well as fire, flood or other natural disasters around the world may adversely affect the regional and worldwide financial markets. The occurrence of any of these events may result in a loss of business confidence, which could potentially lead to economic recession and have an adverse effect upon our business, results of operations and financial condition. In addition, any deterioration in international relations may result in increased investors' concern regarding regional stability which may, in turn, adversely affect the price of our Shares. There can be no guarantee that social and civil disturbances will not occur in the future and on a wider scale, or that any such disturbances will not, directly or indirectly, materially and adversely affect our business, results of operations and financial condition.

RISKS RELATING TO THE RIGHTS SHARES AND OUR SHARES

As the operations and assets of our Group are primarily located in Australia, Shareholders may find it difficult to enforce a Singapore judgment for civil liabilities against us, our assets and our Executive Officers

The operations and assets of our Group are primarily located in Australia. Any judgment obtained in Singapore against us may not be collectible within Singapore. In addition, certain of our officers are resident outside Singapore. As a result, it may be difficult for you to effect service of process within Singapore on our officers.

Investments in securities quoted on Catalist involve a higher degree of risk and can be less liquid than shares quoted on the Main Board of the SGX-ST

Our Shares are listed for quotation on Catalist, a listing platform designed primarily for fast-growing and emerging or smaller companies to which a higher investment risk tends to be attached as compared to larger or more established companies. An investment in shares quoted on Catalist may carry a higher risk than an investment in shares quoted on the Main Board of the SGX-ST.

Our share price may fluctuate significantly in future and you may lose all or part of your investment, and litigation may be brought against us

We cannot assure you that the market price for our Shares will not fluctuate significantly in response to factors that may or may not be within our control, such as:

- publicity regarding actual or potential clinical results relating to products under development by our competitors or us;
- delay or failure in initiating, completing or analysing formulation development studies or clinical trials or unsatisfactory design or results of these tests;
- receipt or rejection of regulatory approvals by our manufacturers, suppliers, distributors, competitors or us;
- announcements of technological innovations or new commercial products by our competitors or us;
- developments concerning proprietary rights, including patents;
- developments concerning our collaborations;

- regulatory developments in Singapore, Australia, the United States and in other foreign countries; and
- economic or other crises and other external factors, period-to-period fluctuations in our revenue and other results of operations, and changes in financial estimates by securities analysts.

Other factors that could affect our share price are:

- variation in the results of our operations;
- changes in securities analysts' estimates of the results of our operations and recommendations;
- announcements by us of significant contracts, acquisitions, strategic alliances or joint ventures or capital commitments;
- additions or departures of key personnel;
- any volatility in the securities markets of Singapore;
- involvement in litigation;
- general economic and stock market conditions;
- discrepancies between our actual operating results and those expected by investors and securities analysts;
- our financial results;
- our prospects, and those of the industry in which we compete;
- an assessment of our management, our past and present operations, and the prospects for, and timing of, our future revenues and cost structures;
- the present state of our development; and
- the valuation of publicly-traded companies that are engaged in business activities similar to ours.

The stock markets have from time to time experienced significant price and volume fluctuations that have affected the market prices of securities. These fluctuations often have been unrelated or disproportionate to the operating performance of publicly-traded companies. For example, our share price could be adversely affected if pharmaceuticals developed by other pharmaceutical, biotechnology and other life sciences companies are not successful in clinical trials, fail to achieve regulatory approval or are not accepted in the marketplace, even though these failures may not be related to our products or technology. These broad market fluctuations could result in extreme fluctuations in the price of our Shares, which could cause a decline in the value of investors' shares. In the past, following periods of volatility in the market price of a particular company's securities, an investor may lose all or part of his investment and litigation has sometimes been brought against that company. If similar litigation is instituted against us, it could result in substantial costs and divert management's attention and resources from our core business.

We may require additional funding in the form of equity or debt for our future growth which will cause dilution in Shareholders' equity interest

We may pursue opportunities to grow our business through joint ventures, strategic alliances, acquisitions or investment opportunities, following the Rights Issue. However, we cannot assure you that we will be able to obtain additional funding on terms that are acceptable to us, or at all. If we are unable to do so, our future plans and growth may be adversely affected.

An issue of Shares or other securities to raise funds will dilute Shareholders' equity interests and may, in the case of a rights issue, require additional investments by Shareholders. Further, an issue of Shares below the then prevailing market price will also affect the value of Shares then held by investors.

Dilution in Shareholders' equity interests may occur even if the issue of shares is at a premium to the market price. In addition, any additional debt funding may restrict our freedom to operate our business as it may have conditions that:

- limit our ability to pay dividends or require us to seek consents for the payment of dividends;
- increase our vulnerability to general adverse economic and industry conditions;
- require us to dedicate a portion of our cash flow from operations to repayments of our debt, thereby reducing the availability of our cash flow for capital expenditures, working capital and other general corporate purposes; and/or
- limit our flexibility in planning for, or reacting to, changes in our business and our industry.

The current disruptions, volatility or uncertainty of the credit markets could limit our ability to borrow funds or cause our borrowings to be more expensive. As such, we may be forced to pay unattractive interest rates, thereby increasing our interest expense, decreasing our profitability and reducing our financial flexibility if we take on additional debt financing.

We have outstanding Share Acquisition Rights which if exercised will cause dilution in Shareholders' equity interest

We have granted, and may from time to time grant, Share Acquisition Rights to our employees in connection with their employment and/or contribution or services provided to our Group. Please refer to paragraphs 9(c) and 9(d) in the section titled "Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 – Part IV – Key Information" of this Offer Information Statement for further details on such Share Acquisition Rights. If these Share Acquisition Rights are exercised, Shareholders will suffer a dilution in their ownership of our Shares.

Further, our Company had on 17 June 2015 adopted the iX Employee Share Option Scheme and the iX Performance Share Plan. As at the Latest Practicable Date, no options have been issued and no awards have been granted under these schemes. However, we cannot assure you that no options will be issued and no awards will be granted under these schemes in future. As and when such options are issued and subsequently exercised and/or such awards are granted and Shares subsequently issued, Shareholders will suffer a dilution in their ownership of our Shares.

Negative publicity which includes those relating to any of our Directors, Executive Officers or Controlling Shareholders may adversely affect our Share price

Negative publicity or announcements relating to any of our Directors, Executive Officers or Controlling Shareholders may adversely affect the market perception of us or the performance of the price of our Shares, whether or not it is justified. For instance, such negative publicity may arise from unsuccessful attempts in joint ventures, acquisitions or take-overs, or involvement in insolvency proceedings.

Control of our share capital by our existing Controlling Shareholder may limit your ability to influence the outcome of decisions requiring the approval of Shareholders

As at the Latest Practicable Date, our Controlling Shareholder, Mr. Eddy Lee Yip Hang and his wife, Ms. Tang Choy Leng Jane, have a collective interest in 189,900,050 Shares, representing in aggregate approximately 30.90% of the Existing Issued Share Capital. As a result, Mr. Lee will be able to significantly influence our corporate actions such as mergers or take-over attempts in a manner which may not be in line with the interests of our public Shareholders. Such concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Group which may not benefit our Shareholders.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

PART II – IDENTITY OF DIRECTORS, ADVISERS AND AGENTS

Directors

1. Provide the names and addresses of each of the directors or equivalent persons of the relevant entity.

Name of Director	Address	Position
Eddy Lee Yip Hang	c/o 350 Orchard Road #16-10 Shaw House Singapore 238868	Chairman and CEO
Albert Ho Shing Tung	c/o 350 Orchard Road #16-10 Shaw House Singapore 238868	Non-Executive Director
Ko Kheng Hwa	c/o 350 Orchard Road #16-10 Shaw House Singapore 238868	Lead Independent Director
Low Weng Keong	c/o 350 Orchard Road #16-10 Shaw House Singapore 238868	Independent Director
Claudia Teo Kwee Yee	c/o 350 Orchard Road #16-10 Shaw House Singapore 238868	Independent Director

Advisers

2. Provide the names and addresses of –

(a) the issue manager to the offer, if any;

(b) the underwriter to the offer, if any; and

(c) the legal adviser for or in relation to the offer, if any.

Issue Manager	:	Not applicable.
Underwriter	:	Not applicable.
Legal Adviser to the Company as to Singapore law	:	**WongPartnership LLP** 12 Marina Boulevard Level 28 Marina Bay Financial Centre, Tower 3 Singapore 018982

Registrars and Agents

3. Provide the names and addresses of the relevant entity's registrars, transfer agents and receiving bankers for the securities being offered, where applicable.

Share Registrar and Share Transfer Agent	:	**Tricor Barbinder Share Registration Services** (A division of Tricor Singapore Pte. Ltd.) 80 Robinson Road #02-00 Singapore 068898
Receiving Banker	:	**United Overseas Bank Limited** 80 Raffles Place UOB Plaza 1 Singapore 048624

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

PART III – OFFER STATISTICS AND TIMETABLE

Offer Statistics

1. For each method of offer, state the number of the securities being offered.

Method of Offer and Number of Rights Shares being offered	:	Renounceable non-underwritten rights issue on the basis of one Rights Share for every 25 existing Shares held by Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded. Based on the Existing Issued Share Capital, and assuming the Rights Issue is fully subscribed, up to 24,584,284 Rights Shares will be issued.
Issue Price	:	S$0.21 for each Rights Share.
Status of Rights Shares	:	The Rights Shares will, upon allotment and issue, rank *pari passu* and without preference in all respects with our existing Shares for any dividends, rights, allotments or other distributions, the record date for which falls on or after the date of allotment and issue of the Rights Shares.

Method and Timetable

2. Provide the information referred to in paragraphs 3 to 7 of this Part to the extent applicable to –

(a) the offer procedure; and

(b) where there is more than one group of targeted potential investors and the offer procedure is different for each group, the offer procedure for each group of targeted potential investors.

Please refer to paragraphs 3 to 7 of this part below.

3. State the time at, date on, and period during which the offer will be kept open, and the name and address of the person to whom the purchase or subscription applications are to be submitted. If the exact time, date or period is not known on the date of lodgement of the offer information statement, describe the arrangements for announcing the definitive time, date or period. State the circumstances under which the offer period may be extended or shortened, and the duration by which the period may be extended or shortened. Describe the manner in which any extension or early closure of the offer period shall be made public.

Please refer to the section titled "Indicative Timetable of Key Events" of this Offer Information Statement.

The timetable is subject to such modifications as the Company may, with the approval of the SGX-ST, decide, subject to any limitation under any applicable laws. As at the Latest Practicable Date, our Company does not expect the timetable under the section titled "Indicative Timetable of Key Events" of this Offer Information Statement to be modified. In the event that the Company decides to modify the timetable (subject to any limitation under any applicable laws), our Company will publicly announce the changes to the timetable through an SGXNET announcement to be posted on the SGX-ST's website at http://www.sgx.com.

Details of the procedures for acceptances of and/or applications for, and payment for the Rights Shares and/or (if applicable) Excess Rights Shares are contained in Appendices I to III to this Offer Information Statement and in the ARE, the ARS and the PAL.

4. State the method and time limit for paying up for the securities and, where payment is to be partial, the manner in which, and dates on which, amounts due are to be paid.

The Rights Shares and the Excess Rights Shares are payable in full upon acceptance and/or application. The last date and time for acceptances of Rights Shares and/or (if applicable) applications for Excess Rights Shares and payment for all Entitled Shareholders is 14 July 2016 at 5.00 p.m., or in the case of acceptances of Rights Shares and/or (if applicable) applications for Excess Rights Shares and payment through an ATM of a Participating Bank, 14 July 2016 at 9.30 p.m..

Details of the procedures for acceptances of and/or applications for, and payment for the Rights Shares and/or (if applicable) Excess Rights Shares are contained in Appendices I to III to this Offer Information Statement and in the ARE, the ARS and the PAL.

5. State, where applicable, the methods of and time limits for –

(a) the delivery of the documents evidencing title to the securities being offered (including temporary documents of title, if applicable) to subscribers or purchasers; and

(b) the book-entry transfers of the securities being offered in favour of subscribers or purchasers.

The Rights Shares will be provisionally allotted to Entitled Shareholders on or around 28 June 2016 by crediting the Rights into the Securities Accounts of the respective Entitled Depositors maintained with CDP or through the despatch of the relevant PALs to the Entitled Scripholders.

In the case of Entitled Depositors, Purchasers, Entitled Scripholders and their renouncees with valid acceptances of Rights Shares and/or (if applicable) successful applications for Excess Rights Shares and who have furnished valid Securities Account numbers in their PALs, physical share certificate(s) representing such number of Rights Shares and/or (if applicable) Excess Rights Shares will be sent to CDP within ten Market Days after the Closing Date and CDP will thereafter credit such number of Rights Shares and/or (if applicable) Excess Rights Shares to their respective Securities Accounts. It is expected that CDP will then send to the relevant subscribers by ordinary post, at their own risk, a notification letter stating the number of Rights Shares and/or Excess Rights Shares that have been credited to their respective Securities Accounts.

In the case of Entitled Scripholders and their renouncees with valid acceptances of Rights Shares and/or (if applicable) successful applications for Excess Rights Shares and who have, among others, failed to furnish or furnished incorrect or invalid Securities Account numbers in their PALs, physical share certificate(s) representing such number of Rights Shares and/or (if applicable) Excess Rights Shares will be sent to such Entitled Scripholders and their renouncees by ordinary post, at their own risk, to their mailing addresses in Singapore as maintained with the Share Registrar within ten Market Days after the Closing Date.

Please refer to Appendices I to III to this Offer Information Statement and the ARE, the ARS and the PAL for more details.

6. In the case of any pre-emptive rights to subscribe for or purchase the securities being offered, state the procedure for the exercise of any right of pre-emption, the negotiability of such rights and the treatment of such rights which are not exercised.

Please refer to Appendices I to III to this Offer Information Statement and the ARE, the ARS and the PAL for details on the procedures for the acceptance of the provisional allotment of Rights Shares, application for Excess Rights Shares, trading of the Rights on the SGX-ST and the treatment of Rights which are not accepted.

7. Provide a full description of the manner in which results of the allotment or allocation of the securities are to be made public and, where appropriate, the manner for refunding excess amounts paid by applicants (including whether interest will be paid).

Results of the Rights Issue

As soon as practicable after the Closing Date, the Company will publicly announce the results of the allotment of the Rights Shares via an SGXNET announcement to be posted on the SGX-ST's website at http://www.sgx.com.

Manner of Refund

Where any acceptance of Rights Shares and/or (if applicable) application for Excess Rights Shares is invalid or unsuccessful, the amount paid on acceptance and/or application will be returned or refunded to such acceptors and/or applicants without interest or any share of revenue or other benefit arising therefrom by any one or a combination of the following:

(a) where the acceptance and/or application had been made through CDP, by means of a crossed cheque in Singapore currency drawn on a bank in Singapore and sent by ordinary post at their own risk to their mailing addresses in Singapore as maintained with CDP or in such other manner as they may have agreed with CDP for the payment of any cash distribution, within three Business Days after the commencement of trading of the Rights Shares;

(b) where the acceptance and/or application had been made through the Share Registrar, by means of a crossed cheque in Singapore currency drawn on a bank in Singapore and sent by ordinary post at their own risk to their mailing addresses in Singapore as maintained with the Share Registrar, within 14 days after the Closing Date; and

(c) where the acceptance and/or application had been made through Electronic Application, by crediting their bank accounts with the relevant Participating Banks at their own risk, within three Business Days after the commencement of trading of the Rights Shares, the receipt by such bank being a good discharge to the Company and CDP of their obligations, if any.

Please refer to Appendices I to III to this Offer Information Statement and the ARE, the ARS and the PAL for further details in respect of the refunding of excess amounts paid by applicants.

PART IV – KEY INFORMATION

Use of Proceeds from Offer and Expenses Incurred

1. In the same section, provide the information set out in paragraphs 2 to 7 of this Part.

Please refer to paragraphs 2 to 7 of this part below.

2. Disclose the estimated amount of the proceeds from the offer (net of the estimated amount of expenses incurred in connection with the offer) (referred to in this paragraph and paragraph 3 of this Part as the net proceeds). Where only a part of the net proceeds will go to the relevant entity, indicate the amount of the net proceeds that will be raised by the relevant entity. If none of the proceeds will go to the relevant entity, provide a statement of that fact.

The estimated Net Proceeds from the Rights Issue (after deducting professional fees and related expenses incurred in connection with the Rights Issue of approximately S$0.22 million) are expected to be approximately S$4.94 million.

All of the Net Proceeds will go to our Company.

3. Disclose how the net proceeds raised by the relevant entity from the offer will be allocated to each principal intended use. If the anticipated proceeds will not be sufficient to fund all of the intended uses, disclose the order of priority of such uses, as well as the amount and sources of other funds needed. Disclose also how the proceeds will be used pending their eventual utilisation for the proposed uses. Where specific uses are not known for any portion of the proceeds, disclose the general uses for which the proceeds are proposed to be applied. Where the offer is not fully underwritten on a firm commitment basis, state the minimum amount which, in the reasonable opinion of the directors or equivalent persons of the relevant entity, must be raised by the offer of securities.

Subject to relevant laws and regulations, our Company intends to utilise the Net Proceeds for the following purposes:

(a) approximately 80.0% of the Net Proceeds to fund the development of the Company's pipeline products (including undertaking clinical trials and registration of such products with appropriate agencies for marketing approval) and for marketing of the Company's products; and

(b) the balance for the acquisition of new product packaging equipment.

Pending the deployment of the Net Proceeds for the abovementioned purposes, the Net Proceeds may be deposited with banks and/or financial institutions, invested in short-term money markets and/or marketable securities, or used for any other purposes on a short-term basis as the Directors may, in their absolute discretion, deem fit in the interest of the Company.

The foregoing represents our Company's best estimate of our allocation of the Net Proceeds from the Rights Issue based on current plans and estimates regarding our anticipated expenditures. Actual expenditures may vary from these estimates and our Company may find it necessary or advisable to re-allocate the Net Proceeds within the categories described above or use portions of the Net Proceeds for other purposes. In the event that our Company decides to re-allocate the Net Proceeds or use portions for other purposes, we will publicly announce such intention to do so through an SGXNET announcement to be posted on the SGX-ST's website at http://www.sgx.com.

In accordance with the Catalist Rules, our Company will make periodic announcements via SGXNET on the use of the proceeds from the Rights Issue, as and when such proceeds are materially disbursed, and whether such a use is in accordance with the stated use and in accordance with the percentage allocated in this Offer Information Statement. Where there is any material deviation from the stated use of proceeds, we will announce the reasons for such deviation. Our Company will also provide a status report on the use of the proceeds from the Rights Issue and any material deviation therefrom in our Company's annual report.

In the reasonable opinion of the Directors as at the date of this Offer Information Statement, there is no minimum amount that needs to be raised from the Rights Issue.

4. For each dollar of the proceeds from the offer that will be raised by the relevant entity, state the estimated amount that will be allocated to each principal intended use and the estimated amount that will be used to pay for expenses incurred in connection with the offer.

Based on the intended use of proceeds from the Rights Issue as described in paragraph 3 of this part, for each dollar of the gross proceeds of approximately S$5.16 million that is estimated to be raised from the Rights Issue, the Company will allocate and use:

(a) approximately S$0.77 for the funding of the development of the Company's pipeline products (including undertaking clinical trials and registration of such products with appropriate agencies for marketing approval) and for marketing of our Company's products;

(b) approximately S$0.19 for the acquisition of new product packaging equipment; and

(c) approximately S$0.04 for professional fees and related expenses incurred in connection with the Rights Issue.

5. If any of the proceeds to be raised by the relevant entity will be used, directly or indirectly, to acquire or refinance the acquisition of an asset other than in the ordinary course of business, briefly describe the asset and state its purchase price. If the asset has been or will be acquired from an interested person of the relevant entity, identify the interested person and state how the cost to the relevant entity is or will be determined.

Not applicable. The Net Proceeds are not currently intended to be used to acquire or refinance the acquisition of an asset other than in the ordinary course of business.

6. If any of the proceeds to be raised by the relevant entity will be used to finance or refinance the acquisition of another business, briefly describe the business and give information on the status of the acquisition.

Not applicable. The Net Proceeds are not currently intended to be used to finance or refinance the acquisition of another business.

7. If any material part of the proceeds to be raised by the relevant entity will be used to discharge, reduce or retire the indebtedness of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, of the group, describe the maturity of such indebtedness and, for indebtedness incurred within the past year, the uses to which the proceeds giving rise to such indebtedness were put.

Not applicable. The Net Proceeds are not currently intended to be used to discharge, reduce or retire any indebtedness of the Group.

8. In the section containing the information referred to in paragraphs 2 to 7 of this Part or in an adjoining section, disclose the amount of discount or commission agreed upon between the underwriters or other placement or selling agents in relation to the offer and the person making the offer. If it is not possible to state the amount of discount or commission, the method by which it is to be determined must be explained.

Not applicable. The Rights Issue is not underwritten and no placement or selling agent has been appointed by the Company in relation to the Rights Issue.

Information on the Relevant Entity

9. Provide the following information:

(a) the address and telephone and facsimile numbers of the relevant entity's registered office and principal place of business (if different from those of its registered office);

Registered office and principal place of business	:	350 Orchard Road #16-10 Shaw House Singapore 238868
Telephone number	:	+65 6235 2270
Facsimile number	:	+65 6235 2170

(b) the nature of the operations and principal activities of the relevant entity or, if it is the holding company or holding entity of a group, of the group;

Our Company was incorporated as a private company limited by shares under the name of "Ixblue International Pte. Ltd." on 8 May 2004. On 22 January 2008, the name of our Company was changed to "iX Biopharma Pte. Ltd.". Our Company was subsequently converted into a public limited company on 31 January 2013 and the name of our Company was changed to "iX Biopharma Ltd." Our Company was listed on Catalist on 22 July 2015.

Our Company is the holding company of the Group, comprising the Company and its subsidiaries, namely: (a) iX Australia, which our Company established on 20 April 2009; (b) Syrinx, which our Company acquired on 8 May 2014; (c) CAPL, which our Company acquired on 8 May 2014; (d) AP Trust, which our Company acquired on 26 May 2016; and (e) KMPL, the trustee of AP Trust, which our Company acquired on 26 May 2016. Syrinx is the sole beneficiary of CAT, a unit trust administered and managed by CAPL in its capacity as trustee of CAT. Following our acquisition of Syrinx and CAPL, we conduct our business in two main business segments, namely our specialty pharmaceutical business and our chemical analysis business.

Our Specialty Pharmaceutical Business

Our specialty pharmaceutical business is focused on the development, manufacture and commercialisation of innovative therapies for the treatment of acute and breakthrough pain, as well as male erectile dysfunction.

On or around November 2008, our research resulted in the development of WaferiX, a wafer-based fast dissolving drug delivery platform which delivers active pharmaceutical compounds sublingually, that is, by placing the wafer under the tongue. It was developed to address the sub-optimal characteristics of currently available drug delivery technologies such as the intravenous, intramuscular and oral routes of administration used in the treatment of acute medical conditions or symptoms.

Following the development of WaferiX, our Company utilised the WaferiX drug delivery technology for the development of the following three drugs, which are at various stages of development:

(a) Wafermine, where ketamine as an active compound is incorporated with our WaferiX drug delivery platform to provide relief for acute and severe pain;

(b) Wafernyl, where fentanyl as an active compound is incorporated with our WaferiX drug delivery platform for the treatment of acute and breakthrough pain; and

(c) PheoniX, where sildenafil as an active ingredient is incorporated with our WaferiX drug delivery platform for the treatment of male erectile dysfunction.

These products utilise our WaferiX drug delivery technology and have ketamine, fentanyl and sildenafil as their respective active pharmacological compound. Our specialty pharmaceutical business is currently focused on the development of Wafermine, Wafernyl and PheoniX, with the eventual aim of large scale manufacturing and commercialisation of these products upon the requisite regulatory approvals being obtained.

We manage and undertake our own research and development in Singapore and Australia. iX Australia was established on 20 April 2009 with the objective of conducting research and development and sponsoring human clinical trials in Australia. In addition, the primary business of Syrinx is the manufacture and sale of pharmaceutical products. Our manufacturing facility occupied by Syrinx in Australia is TGA-approved and GMP-compliant, and supplies drugs to hospitals under Schedule 5A of the TGR.

We also continually seek to identify and address areas of unmet or under-served therapeutic need by developing proprietary products based on our patented WaferiX drug delivery technology.

We successfully completed a Phase 2c clinical study on Wafermine in March 2016, a Phase 1 clinical study on Wafernyl in August 2010 and a pilot bioavailability study on PheoniX in November 2015. These clinical trials were undertaken as part of the process for seeking approval from the FDA or the TGA for the commercialisation of these products.

We are currently also undertaking scientific, technological and commercial assessment of our products to determine if they are suitable for treatment in other areas such as depression and pulmonary arterial hypertension.

Our Chemical Analysis Business

In addition to our specialty pharmaceutical business described above, we also operate a pharmaceutical testing laboratory in Australia through which we provide project-based or contract-based chemical analysis services comprising routine analytical testing, complex problem solving and quality assurance services for pharmaceutical products.

We acquired CAPL to complement our drug development business. CAPL operates our chemical analysis business through a testing and analysis laboratory held by CAT which is located in Australia. In addition to providing chemical analysis services to third parties, our products are also tested and analysed by our laboratory during the research and development process to ensure compliance with GMP requirements as part of our quality control procedures.

Our subsidiaries

As at the Latest Practicable Date, the subsidiaries of our Company and their principal activities are as follows:

Name of subsidiary	Principal activities	Country of incorporation/ principal place of business	Effective interest held by our Group (%)
Held by our Company:			
iX Australia	Research and experimental development	Australia	100.0
Syrinx	Manufacture and sale of pharmaceutical products	Australia	100.0
CAPL	Trustee of CAT	Australia	100.0
AP Trust	Owner of an industrial property that is leased exclusively to Syrinx and CAT	Australia	100.0
KMPL	Trustee of AP Trust	Australia	100.0
Held by our subsidiaries:			
Held by Syrinx			
CAT	Provision and sale of laboratory services (including chemical analysis and laboratory testing services)	Australia	100.0

(c) the general development of the business from the beginning of the period comprising the 3 most recent completed financial years to the latest practicable date, indicating any material change in the affairs of the relevant entity or the group, as the case may be, since –

(i) the end of the most recent completed financial year for which financial statements of the relevant entity have been published; or

(ii) the end of any subsequent period covered by interim financial statements, if interim financial statements have been published;

The general developments in the business of the Group in chronological order since FY2013 are set out below. Prospective subscribers are advised to refer to the public announcements released by the Company on SGXNET and the offer document dated 10 July 2015 issued by the Company in connection with the Initial Public Offering for further details on these developments, where relevant.

Corporate Developments in FY2013 (that is, 1 July 2012 to 30 June 2013)

On 16 August 2012, our Company entered into a deed of assignment with Mr. Eddy Lee Yip Hang, Emeritus Prof. Vivian Bruce Sunderland and Adjunct Prof. Lim Chin Beng (collectively, the "**Assignors**"), pursuant to which each of the Assignors assigned to our Company, all their rights, titles and interests throughout the world in and to, among others, our WaferiX drug delivery

technology, any improvements to such technology as well as the right to apply for and obtain all patents in respect thereof. The consideration for the assignment was the payment of S$1.00 by our Company to the Assignors.

In FY2013, we developed PheoniX.

In February 2013, we were granted a patent for our WaferiX drug delivery platform in Australia, which will expire on 26 October 2030.

Corporate Developments in FY2014 (that is, 1 July 2013 to 30 June 2014)

On 1 July 2013, iX Australia entered into an advisory agreement with Adjunct Prof. Lim Chin Beng, as supplemented, modified and amended by a letter dated 22 April 2015 between both parties (the "**LCB Advisory Agreement**"), for the provision by Adjunct Prof. Lim of advisory services in relation to the Company's drug development programme. As consideration for such services, iX Australia agreed to pay Adjunct Prof. Lim advisory fees and also granted him the right to subscribe for 200,000 Pre-Split Shares. In addition, Adjunct Prof. Lim will be paid up to AUD 26,000 in cash and granted up to 54,000 Pre-Split Shares if we determine that certain key performance targets have been attained (the "**LCB Incentive Rights**").

On 1 July 2013, iX Australia entered into an advisory agreement with Dr. Liu Yandi, as supplemented, modified and amended by a letter dated 22 April 2015 between both parties (the "**LYD Advisory Agreement**"), for the provision by Dr. Liu of advisory services in relation to the Company's drug development programme. As consideration for such services, iX Australia agreed to pay a monthly retainer to Dr. Liu and also granted him the right to subscribe for an aggregate of 100,000 Pre-Split Shares. In addition, Dr. Liu will be paid up to AUD 26,000 in cash and granted up to 54,000 Pre-Split Shares if we determine that certain key performance targets have been attained (the "**LYD Incentive Rights**").

On 1 July 2013, iX Australia entered into a consultancy agreement with Emeritus Prof. Vivian Bruce Sunderland, as supplemented, modified and amended by a letter dated 22 April 2015 between both parties (the "**VBS Consultancy Agreement**"), for the provision by Emeritus Prof. Sunderland of consultancy services relating to the Company's drug development programme. As consideration for such services, iX Australia agreed to pay a monthly retainer to Emeritus Prof. Sunderland and also granted him the right to subscribe for an aggregate of 100,000 Pre-Split Shares. In addition, Emeritus Prof. Sunderland will be paid up to AUD 26,000 in cash and granted up to 54,000 Pre-Split Shares if we determine that certain key performance targets have been attained (the "**VBS Incentive Rights**").

On 1 July 2013, iX Australia entered into a consultancy agreement with Dr. Jasbir Singh Narulla, as supplemented, modified and amended by a letter dated 22 April 2015 both parties (the "**JN Consultancy Agreement**"), for the provision by Dr. Narulla of consultancy services relating to the Company's drug development programme. As consideration for such services, iX Australia agreed to pay a monthly retainer to Dr. Narulla and granted him the right to subscribe for an aggregate of 200,000 Pre-Split Shares. In addition, Dr. Narulla will be paid up to AUD 26,000 in cash and granted up to 54,000 Pre-Split Shares if we determine that certain key performance targets have been attained (the "**JN Incentive Rights**").

On 6 January 2014, our Company entered into an assignment agreement with Mr. Eddy Lee Yip Hang, Emeritus Prof. Vivian Bruce Sunderland and Adjunct Prof. Lim Chin Beng (collectively, the "**Assignors**"), pursuant to which each of the Assignors assigned to our Company, all their rights, titles and interests in and to, among others, our WaferiX drug delivery technology, and in any and all patents which may be obtained in respect of our WaferiX drug delivery technology. The consideration for the assignment was the payment of S$1.00 by our Company to the Assignors.

In February 2014, we were granted a patent for our WaferiX drug delivery platform in Malaysia, which will expire on 26 October 2030.

On 8 May 2014, our Company completed the acquisition of the entire issued and paid-up share capital of Syrinx (which has 100.0% shareholding interest in CAT) from the former shareholders of Syrinx (the "**Syrinx Vendors**") pursuant to a share sale and purchase agreement (the "**Syrinx SPA**"). The purchase consideration of AUD 1.87 million was satisfied through the issuance of 1,406,016 Pre-Split Shares at AUD 1.33 per Pre-Split Share. In addition, AUD 694,620 was paid to the Syrinx Vendors pursuant to the earn-out arrangement under the Syrinx SPA (the "**Earn-Out Arrangement**"), in which our Company is required to make payment only if CAT achieves the specified growth and pre-tax profit margin.

On 8 May 2014, our Company completed the entire issued and paid-up share capital of CAPL from its former shareholders for a purchase consideration of AUD 20.00.

Corporate Developments in FY2015 (that is, 1 July 2014 to 30 June 2015)

Since August 2014, we have manufactured and supplied limited quantities of Wafermine to various hospitals in Western Australia at their request under contracts for sale in accordance with the exemption set out in Schedule 5A of the TGR[2].

In September 2014, we were granted a patent for our WaferiX drug delivery platform in New Zealand, which will expire on 26 October 2030.

In October 2014, we completed a Phase 2a clinical study on Wafermine, which assessed the analgesic efficacy, tolerability, safety and pharmacokinetics of Wafermine in 120 patients, each of whom had just undergone the extraction of impacted wisdom teeth. 30 patients were each administered 25 mg of Wafermine, another 30 patients were each administered 30 mg of Wafermine and another 30 patients were each administered 50 mg of Wafermine, all in a single dose. The remaining 30 patients were separated into two control groups and each administered a placebo. The results of the Phase 2a clinical study demonstrated that all doses of Wafermine reduced pain within ten minutes of administration and were well-tolerated by the patients.

On 1 December 2014, Mr. Phillip Choo Peng Leong commenced his employment as our chief financial officer pursuant to an employment letter dated 13 October 2014 entered into between our Company and Mr. Choo, as supplemented, modified and amended by the letter dated 15 April 2015 entered into between both parties (the "**Employment Letter**"). Under the Employment Letter, Mr. Choo was entitled to receive 150,000 Pre-Split Shares. Further details of the Employment Letter are set out in paragraph 9(h) of this part.

On 3 December 2014, our Company entered into a Share Option Agreement (as defined in paragraph 9(d) of this part) with Prof. Paul Edward Rolan, pursuant to which our Company granted to Prof. Rolan an option to subscribe for up to 500,000 Pre-Split Shares, provided that certain terms in the Share Option Agreement are met. Further details of the Share Option Agreement are set out in paragraph 9(d) of this part.

In February 2015, our Company obtained the "Halal" certification in Australia from Halal Australia, on behalf of Halal Australia Trust, which allowed us to receive and store raw materials, manufacture, label, pack, store and dispatch our products, including Wafermine (25 mg, 35 mg and 50 mg), fentanyl (2.5 mcg and 5 mcg) and PheoniX (25 mg and 50 mg), for a period of one year from 1 March 2015 until 1 March 2016.

On 23 February 2015, our Company entered into a letter agreement with Prof. Paul Edward Rolan, whereby our Company granted Prof. Rolan the right to subscribe for 200,000 Pre-Split Shares in recognition of his past contributions (the "**PR Share Acquisition Rights**"). In addition, our Company also agreed to pay Prof. Rolan up to AUD 26,000 in cash and grant him up to 54,000

2 The exemption set out in Schedule 5A of the TGR allows our Company to manufacture and supply our pharmaceutical products under a contract of sale to private or public hospitals, or public institutions in Australia in accordance with a formulation specified by the hospital or public institution for use in connection with a patient of the entity, even though our products are not registered under the ARTG (such registration is required before we are able to sell our products in Australia).

Pre-Split Shares, if determined by our Company that certain key performance targets have been attained (the "**PR Incentive Rights**"). Further details of the PR Share Acquisition Rights and PR Incentive Rights are set out in paragraph 9(h) of this part.

On 2 March 2015, Prof. Paul Edward Rolan commenced his employment as our Director of Drug Development. Further details of his employment letter are set out in paragraph 9(h) of this part.

On 6 March 2015, our Company entered into separate subscription agreements with each of (a) Mr. Albert Ho Shing Tung; (b) Mr. Phillip Choo Peng Leong; and (c) APPL and several other existing shareholders (collectively, the "**Subscribers**") pursuant to which we allotted and issued, on 9 March 2015, an aggregate of 1,250,000 Pre-Split Shares to each of the Subscribers for an aggregate consideration of S$2.5 million. Further details of the subscription agreements are set out in paragraph 9(h) of this part.

On 20 April 2015, our Company entered into an advisory agreement with Prof. Stephan Schug, pursuant to which Prof. Schug was engaged to assist our Company with our drug development programme. Further details of the advisory agreement are set out in paragraph 9(h) of this part.

On 20 April 2015, our Company entered into a confirmatory deed of assignment dated 20 April 2015 with Mr. Eddy Lee Yip Hang, Emeritus Prof. Vivian Bruce Sunderland and Adjunct Prof. Lim Chin Beng, to confirm that with effect from 16 August 2012, the rights, title and interest in and to our WaferiX drug delivery platform technology, the patents and patent applications relating to our WaferiX technology, and all improvements made on our WaferiX technology, have been assigned to us. Further details of the confirmatory deed of assignment are set out in paragraph 9(h) of this part.

On 3 June 2015, our Company entered into a deed of undertaking (the "**RMK Deed of Undertaking**") with Dr. Russell Martin Kinghorn, pursuant to which Dr. Kinghorn had, among others, undertaken to dispose of his interests in BST International Pty Ltd. Further details of the RMK Deed of Undertaking are set out in paragraph 9(h) of this part.

On 11 June 2015, our Company and iX Australia entered into separate deeds of novation with each of Adjunct Prof. Lim Chin Beng, Dr. Liu Yandi, Emeritus Prof. Vivian Bruce Sunderland and Dr. Jasbir Singh Narulla, pursuant to which the LCB Advisory Agreement, LYD Advisory Agreement, VBS Consultancy Agreement and JN Consultancy Agreement respectively, were novated to our Company and each of these persons agreed to provide their services to our Company for a further term of two years commencing on 1 July 2015.

On 18 June 2015, our Company entered into a deed of non-competition and service agreement with Mr. Eddy Lee Yip Hang, further details of which are set out in paragraph 9(h) of this part.

In June 2015, the LCB Incentive Rights (in relation to 44,000 Pre-Split Shares), LYD Incentive Rights (in relation to 54,000 Pre-Split Shares), the VBS Incentive Rights (in relation to 54,000 Pre-Split Shares), the JN Incentive Rights (in relation to 54,000 Pre-Split Shares) and the PR Incentive Rights (in relation to 44,000 Pre-Split Shares) were forfeited by the Company as the respective key performance targets required to be attained for the granting of such Pre-Split Shares were not attained.

Corporate Developments in 9M2016 (that is, 1 July 2015 to 31 March 2016)

On 22 July 2015, the entire issued share capital of our Company of 590,194,220 Shares was listed and quoted on Catalist pursuant to the Initial Public Offering. Under the Initial Public Offering, approximately S$30.1 million in gross proceeds was raised by our Company from the allotment and issue of 1,000,000 Shares at S$0.46 each by way of a public offer to the public in Singapore and 64,500,000 Shares at $0.46 each by way of a placement.

In August 2015, we completed the Phase 2b clinical study on Wafermine, which assessed the analgesic efficacy, tolerability, safety and pharmacokinetics of Wafermine in 80 patients, each of whom had just undergone the extraction of impacted wisdom teeth. 30 patients were each administered 70 mg of Wafermine in a single dose, another 30 patients were each administered 100 mg of Wafermine in a single dose, while the remaining 20 patients were each administered a placebo. The results of the Phase 2b clinical study demonstrated that all doses of Wafermine reduced pain within ten minutes of administration and were well-tolerated by the patients.

In September 2015, we were granted a patent in Japan for our WaferiX drug delivery technology, which will expire on 26 October 2030.

On 18 September 2015, 2,000,000 Shares were issued to Adjunct Prof. Lim Chin Beng pursuant to the exercise of Share Acquisition Rights granted under the LCB Advisory Agreement and 100,000 Shares were issued to Adjunct Prof. Lim pursuant to the LCB Incentive Rights.

On 18 September 2015, 2,000,000 Shares were issued to Prof. Paul Edward Rolan pursuant to the exercise of the PR Share Acquisition Rights.

On 25 September 2015, Mr. Iain Bruce Cook was appointed as Chief Scientist of our Company. His responsibilities include the assessment and implementation of all relevant strategic scientific knowledge required for the operations and growth of the Company. In addition, Ms. Lam Li Fong was appointed as General Manager of Syrinx. She will be responsible for the overall management and operations of Syrinx.

In November 2015, we completed a pilot bioavailability study on PheoniX, which compared the pharmacokinetics of sildenafil in PheoniX with that in Viagra. Sildenafil is the active compound in both PheoniX and Viagra. The results of the study demonstrated that the sublingual wafer formulation of PheoniX has a similar rate and extent of drug absorption as a Viagra tablet.

In November 2015, we were granted a patent in Indonesia for our WaferiX drug delivery technology, which will expire on 26 October 2030.

On 1 December 2015, 1,000,000 Shares were issued to Dr. Liu Yandi pursuant to the exercise of Share Acquisition Rights granted under the LYD Advisory Agreement.

On 1 December 2015, 1,500,000 Shares were issued to Mr. Phillip Choo Peng Leong pursuant to the Employment Letter.

On 16 December 2015, 1,000,000 Shares were issued to Emeritus Prof. Vivian Bruce Sunderland pursuant to the exercise of Share Acquisition Rights granted under the VBS Consultancy Agreement.

On 19 January 2016, 2,000,000 Shares were issued to Dr. Jasbir Singh Narulla pursuant to the exercise of Share Acquisition Rights under the JN Consultancy Agreement.

On 27 February 2016, the PR Incentive Rights (in relation to 10,000 Pre-Split Shares) were forfeited by the Company as the key performance targets required to be attained or the granting of such Pre-Split Shares were not attained.

In March 2016, we completed a Phase 2c clinical study of Wafermine, which assessed the safety and tolerability of Wafermine when administered alone, as well as in combination with an opioid, in 72 participants undergoing bunionectomy. The opioid used in the trial was oxycodone, a common prescription drug for pain management. The study was conducted in a single centre in the US, where Wafermine was administered over 14 hours. The results of the study demonstrated that Wafermine was well-tolerated with no serious adverse effects at the maximum accumulated dosage of 315 mg over the 14-hour period. As such, the Phase 2c clinical study demonstrated that Wafermine is suitable for multiple dose administration in clinical trials.

In March 2016, we obtained a renewal of the "Halal" certification in Australia from Halal Australia, on behalf of Halal Australia Trust, which expired on 1 March 2016. The renewed "Halal" certification will allow us to receive and store raw materials, manufacture, label, pack, store and dispatch our products, including Wafermine (25 mg, 35 mg and 50 mg), fentanyl (2.5 mcg and 5 mcg) and PheoniX (25 mg and 50 mg), for a period of one year from 1 March 2016 until 1 March 2017.

In March 2016, our Company announced that Mr. Phillip Choo Peng Leong had resigned as chief financial officer of our Company with effect from 31 March 2016. The Company also announced that Mr. Chew Sien Lup would be appointed as chief financial officer of our Company with effect from 14 April 2016.

On 10 March 2016, iX Australia entered into a consulting services agreement with Dr. Bob Rappaport, pursuant to which Dr. Rappaport will assist iX Australia with its drug development programme. Further details of the consulting services agreement are set out in paragraph 9(h) of this part.

On 11 March 2016, Dr. Russell Martin Kinghorn disposed of his interests in BST International Pty Ltd in accordance with the RMK Deed of Undertaking.

Corporate developments from 1 April 2016 to the Latest Practicable Date

In April 2016, our Company completed a private placement of 14,358,000 Shares at S$0.35 each, and raised gross proceeds of approximately S$5.03 million.

On 26 May 2016, our Company completed the acquisition of the entire issued and paid-up share capital of AP Trust from the Syrinx Vendors. The purchase consideration of AUD 1.1 million was satisfied in full through (a) the issuance of 454,887 Shares at a price of AUD 1.33 per Share to the Syrinx Vendors; and (b) the payment of AUD 495,000 to the Syrinx Vendors.

On 26 May 2016, our Company completed the acquisition of the entire issued and paid-up share capital of KMPL from Kinghorn Holdings Pty Ltd. The purchase consideration for the acquisition was AUD 1.00.

In June 2016, we were granted a patent for our WaferiX drug delivery platform in South Korea, which will expire on 26 October 2030.

(d) the equity capital and the loan capital of the relevant entity as at the latest practicable date, showing –

(i) in the case of the equity capital, the issued capital; or

(ii) in the case of the loan capital, the total amount of the debentures issued and outstanding, together with the rate of interest payable thereon;

As at the Latest Practicable Date, the equity capital and loan capital of the Company are as follows:

	Number of Shares in issue	S$
Issued and paid-up share capital	614,607,107	64,226,526
Treasury Shares	–	–

By a share option agreement dated 3 December 2014 (the "**Share Option Agreement**"), our Company had granted to Prof. Paul Edward Rolan an option to subscribe for up to 500,000 Pre-Split Shares (the "**PR Option**"), credited as fully paid, at no cash cost, conditional upon Prof. Rolan being under the continuous employment of our Company for a period of not less than three years from 2 March 2015, or in the event that Prof. Rolan's employment with our Company is terminated due to any reason other than his misconduct, the number of Pre-Split Shares to be issued and allotted to him shall be up to 500,000 calculated as follows:

The number of shares to be allotted and issued to Prof. Rolan = 500,000 x N/E

Where:

(a) N represents the number of calendar days Prof. Rolan remains with our Company; and

(b) E represents the number of calendar days Prof. Rolan is contractually required to be employed by our Company, equivalent to three calendar years or 1,097 calendar days.

The PR Option granted to Prof. Rolan is exercisable during the period from 2 March 2018 to 2 June 2018. As at the Latest Practicable Date, the PR Option was not exercised.

As at the Latest Practicable Date, the Company has no loan capital.

(e) where –

(i) the relevant entity is a corporation, the number of shares of the relevant entity owned by each substantial shareholder as at the latest practicable date; or

(ii) the relevant entity is not a corporation, the amount of equity interests in the relevant entity owned by each substantial interest-holder as at the latest practicable date;

Based on information in the Company's Register of Substantial Shareholders, details of the Substantial Shareholders and their interests in the Shares as at the Latest Practicable Date are as follows:

Substantial Shareholders	Direct Interest	(%)[1]	Deemed Interest	(%)[1]
Mr. Eddy Lee Yip Hang	175,400,020[2]	29.72	14,500,030[3]	2.46
APPL[4]	65,366,670	10.64	–	–
Mr. Jaspal Singh Narulla	39,600,000	6.45	15,750,000[5]	2.56

Notes:

(1) As a percentage of the Existing Issued Share Capital.

(2) On 24 November 2014, Mr. Eddy Lee Yip Hang agreed to transfer to Ms. Catherine Mary Lee, an unrelated third party, (a) 2,000,000 Pre-Split Shares; or, as the case may be, (b) such number of Shares not exceeding 11.0% of Mr. Lee's shareholding as at 22 October 2014 after adjusting for any subsequent consolidation or sub-division of Shares (the "**Agreed Shares**"), with Mr. Lee holding 18,040,003 Pre-Split Shares as at 22 October 2014. The Agreed Shares are to be transferred for no consideration to Ms. Catherine Mary Lee after our Company had been listed on 22 July 2015 and following the expiry of the EL Lock-Up Undertaking (as defined below), as more particularly described in the section titled "Shareholders — Moratorium" of the offer document dated 10 July 2015 issued by the Company in connection with the Initial Public Offering. For the avoidance of doubt, any issuances of Shares that were undertaken, or may take place, after 22 October 2014 will not affect the number of Shares to be transferred by Mr. Lee to Ms. Lee. As at the date of this Offer Information Statement, no Shares have been transferred by Mr. Lee to Ms. Lee.

(3) Mr. Eddy Lee Yip Hang is deemed interested in the shares of the Company held by his wife, Ms. Tang Choy Leng Jane, by virtue of Section 164 of the Companies Act.

(4) APPL is 100.0% owned by HRT Corporation. Ms. Kuah Khun Eng owns 9,999 shares in HRT Corporation and Ms. Kuah Khun Far, who is the sister of Ms. Kuah Khun Eng, owns one share in HRT Corporation. Accordingly, Ms. Kuah Khun Eng and HRT Corporation are deemed to be interested in the shares of the Company held by APPL.

(5) Mr. Jaspal Singh Narulla is deemed interested in the shares of the Company held by Wetwaters 8, JN Family Investments and Narulla One by virtue of his shareholding interest in the aforesaid companies. Mr. Narulla holds directly 60.0% of the total issued and paid-up share capital of Wetwaters 8 (which directly holds 11,250,000 Shares), 60.0% of the total issued and paid-up share capital of JN Family Investments (which directly holds 3,000,000 Shares) and 50.0% of the total issued share and paid-up share capital of Narulla One (which directly holds 1,500,000 Shares).

Moratorium

The EL Lock-Up Undertaking

In connection with the Initial Public Offering and listing of the Company (the "**Listing**") on Catalist on 22 July 2016 (the "**Listing Date**"), Mr. Eddy Lee Yip Hang had provided a lock-up undertaking ("**EL Lock-Up Undertaking**") in favour of the Sponsor, which was also the issue manager for the Initial Public Offering. As at the date of the EL Lock-Up Undertaking, Mr. Lee had a direct interest in 17,540,002 Pre-Split Shares and a deemed interest in 1,450,003 Pre-Split Shares held by his wife, Ms. Tang Choy Leng Jane (collectively, the "**EL Lock-up Shares**"). Under the EL Lock-Up Undertaking, Mr. Lee had, among others, undertaken not to sell, contract to sell, realise, transfer, pledge, grant any option to purchase or otherwise dispose of:

(a) the EL Lock-up Shares for a period of six months commencing from the Listing Date (the "**Initial Period**"); and

(b) at least 70.0% of the EL Lock-up Shares for a period of 18 months following the Initial Period.

The PC Lock-Up Undertaking

Similarly, in connection with the Initial Public Offering and the Listing, Mr. Phillip Choo Peng Leong, then the chief financial officer of the Company, had provided a lock-up undertaking ("**PC Lock-Up Undertaking**") in favour of the Sponsor. As at the date of the PC Lock-Up Undertaking, Mr. Choo had a direct interest in 250,000 Pre-Split Shares, which he had acquired during the 12-month period prior to the Listing Date (the "**Acquired Shares**") and an interest in 150,000 Pre-Split Shares (the "**Relevant Shares**") which was to be issued by the Company to him pursuant to the terms of the Employment Letter. Under the PC Lock-Up Undertaking, Mr. Choo had, among others, undertaken not to sell, contract to sell, realise, transfer, pledge, grant any option to purchase or otherwise dispose of:

(a) all the Acquired Shares for a period of six months commencing from the Listing Date;

(b) such number of Acquired Shares (determined in accordance with the formula stated in the PC Lock-Up Undertaking) for a period of 12 months commencing from the Listing Date; and

(c) all the Relevant Shares for a period of 12 months commencing from the date that the Relevant Shares are allotted and issued to him, or his nominee, as the case may be.

After the Sub-division, 1,500,000 Shares were issued to Mr. Choo on 1 December 2015 pursuant to the Employment Letter. For the avoidance of doubt, such 1,500,000 Shares constitute the Relevant Shares, which Mr. Choo had undertaken not to sell, contract to sell, realise, transfer, pledge, grant any option to purchase or otherwise dispose of for a period of 12 months commencing from 1 December 2015, according to paragraph (c) above.

Clarifications sought from the SGX-ST

The Company had on 3 June 2016, by way of a letter to the SGX-ST, sought clarifications from the SGX-ST on the following matters:

(a) that the Rights Shares that may be subscribed and paid for by Mr. Eddy Lee Yip Hang would not be subject to the EL Lock-Up Undertaking;

(b) that the Rights Shares that may be subscribed and paid for by Mr. Phillip Choo Peng Leong would not be subject to the PC Lock-Up Undertaking; and

(c) that in the event Mr. Eddy Lee Yip Hang and/or Mr. Phillip Choo Peng Leong apply for Excess Rights Shares, such Excess Rights Shares, when allotted and issued to Mr. Lee and/or Mr. Choo (as the case may be) and/or the provisional allotments of Rights Shares of Mr. Lee and Mr. Choo, would not be subject to the EL Lock-Up Undertaking or the PC Lock-Up Undertaking (as the case may be).

On 14 June 2016, the Company announced that the SGX-ST had stated that it has no objection to the Company's clarifications sought in relation to the matters set out in paragraphs (a), (b) and (c) above, subject to disclosure to Shareholders of such matters.

(f) any legal or arbitration proceedings, including those which are pending or known to be contemplated, which may have, or which have had in the 12 months immediately preceding the date of lodgement of the offer information statement, a material effect on the financial position or profitability of the relevant entity or, where the relevant entity is a holding company or holding entity of a group, of the group;

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries is engaged in any legal or arbitration proceedings, including those which are pending or known to be contemplated, which may have, or which have had in the 12 months immediately preceding the date of lodgement of this Offer Information Statement, a material effect on the financial position or profitability of the Group.

(g) where any securities or equity interests of the relevant entity have been issued within the 12 months immediately preceding the latest practicable date –

(i) if the securities or equity interests have been issued for cash, state the prices at which the securities have been issued and the number of securities or equity interests issued at each price; or

(ii) if the securities or equity interests have been issued for services, state the nature and value of the services and give the name and address of the person who received the securities or equity interests; and

Save as disclosed below, there were no other issue of securities or equity interests by the Company in the past 12 months immediately preceding the Latest Practicable Date:

Date of issue	Details of the issue
22 July 2015	Approximately S$30.1 million in gross proceeds was raised from the issue of 1,000,000 Shares at S$0.46 each by way of a public offer and 64,500,000 Shares at S$0.46 each by way of a placement, pursuant to the Company's Initial Public Offering.

18 September 2015	Issuance of an aggregate of 4,100,000 Shares, comprising (a) 2,000,000 Shares issued to Adjunct Prof. Lim Chin Beng pursuant to the exercise of Share Acquisition Rights under the LCB Advisory Agreement, and 100,000 Shares issued to Adjunct Prof. Lim pursuant to the LCB Incentive Rights; and (b) 2,000,000 Shares issued to Prof. Paul Edward Rolan pursuant to the exercise of the PR Share Acquisition Rights.
1 December 2015	Issuance of an aggregate of 2,500,000 Shares, comprising (a) 1,500,000 Shares issued to Mr. Phillip Choo Peng Leong pursuant to the Employment Letter; and (b) 1,000,000 Shares issued to Dr. Liu Yandi pursuant to the exercise of Share Acquisition Rights under the LYD Advisory Agreement.
16 December 2015	Issuance of 1,000,000 Shares to Emeritus Prof. Vivian Bruce Sunderland pursuant to the exercise of Share Acquisition Rights under the VBS Consultancy Agreement.
19 January 2016	Issuance of 2,000,000 Shares to Dr. Jasbir Singh Narulla pursuant to the exercise of Share Acquisition Rights under the JN Consultancy Agreement.
21 April 2016	Approximately S$5.03 million in gross proceeds was raised from the issue of 14,358,000 Shares at S$0.35 each by way of a private placement.
26 May 2016	Issuance of 454,887 Shares to the Syrinx Vendors as part consideration for the Company's acquisition of the entire issued and paid-up share capital of AP Trust from the Syrinx Vendors.

(h) a summary of each material contract, other than a contract entered into in the ordinary course of business, to which the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any member of the group is a party, for the period of 2 years immediately preceding the date of lodgement of the offer information statement, including the parties to the contract, the date and general nature of the contract, and the amount of any consideration passing to or from the relevant entity or any other member of the group, as the case may be.

Save as disclosed below, the Group has not entered into any material contracts outside the ordinary course of business for the period of two years immediately preceding the date of lodgement of this Offer Information Statement:

(a) the Employment Letter (as defined in paragraph 9(c) of this part), pursuant to which Mr. Choo was employed as our chief financial officer commencing from 1 December 2014 for a period of three years unless otherwise terminated in accordance with the Employment Letter. Under the terms of the Employment Letter, Mr. Choo was entitled to receive 150,000 Pre-Split Shares, credited as fully paid, at no cash cost, on the earliest of (i) the date of expiry of six calendar months from the date of admission of our Company to Catalist; (ii) 1 December 2015; and (iii) upon the occurrence of a trade sale involving the disposal of Shares resulting in at least 50.0% of the share capital of our Company being owned by persons who were not shareholders prior to the trade sale;

(b) the employment letter dated 1 December 2014 issued by our Company to Prof. Paul Edward Rolan and accepted by Prof. Rolan, pursuant to which Prof. Rolan was appointed, with effect from 2 March 2015, as our Director of Drug Development, responsible for overseeing the development and implementation of our clinical trial programmes, contributing to the

management strategy of our Company, ensuring that our clinical trials comply with international standards of Good Clinical Practice and assisting us with the identification and proposal of potential new products;

(c) the Share Option Agreement dated 3 December 2014 entered into between our Company and Prof. Paul Edward Rolan, further details of which are set out in paragraph 9(d) of this part;

(d) the letter agreement dated 23 February 2015 pursuant to which our Company agreed to:

(i) grant to Prof. Paul Edward Rolan the right to subscribe for 200,000 Pre-Split Shares, credited as fully paid, and at no cash cost, in recognition of his past contributions in overseeing our Group's development of our product portfolio, including (A) the design and/or review of clinical protocols for the purpose of registration of new drugs (including Wafermine and PheoniX), with the applicable pharmaceutical authorities in the various international markets targeted by our Group, such as the TGA in Australia, the FDA in the US and in the European Union; and (B) the progress and development of various clinical studies on our Group's product portfolio; and

(ii) pay Prof. Rolan up to an aggregate of AUD 26,000 in cash and grant Prof. Rolan up to 54,000 Pre-Split Shares, if determined by our Company that certain key performance targets relating to each of four studies on Wafermine and PheoniX have been attained during the period from 28 February 2015 until the date falling on the expiry of 27 February 2016;

(e) separate subscription agreements each dated 6 March 2015 entered into between our Company and (i) Mr. Albert Ho Shing Tung, our Non-Executive Director, (ii) Mr. Phillip Choo Peng Leong, our former chief financial officer, and (iii) APPL and several other existing shareholders (collectively, the "**Subscribers**") pursuant to which our Company shall allot and issue an aggregate of 1,250,000 Pre-Split Shares in connection with a placement prior to the Initial Public Offering, to each of the Subscribers for an aggregate consideration of S$2.5 million;

(f) the advisory agreement dated 20 April 2015 entered into between our Company and Prof. Stephan Schug, pursuant to which Prof. Schug was engaged to assist our Company with our drug development programme and to advise our Company on the global pain market, our business development activities including the promotion and advancement of our business, provide strategic scientific guidance to our Company regarding product and technology development programmes, provide ideas and concepts for new product areas, recommend future scientific directions, participate in the recruitment of our principal research and development personnel, advisors and Scientific Advisory Board members, and provide contacts within the scientific community that will be beneficial to our business;

(g) the confirmatory deed of assignment dated 20 April 2015 entered into between our Company and Mr. Eddy Lee Yip Hang, Adjunct Prof. Lim Chin Beng and Emeritus Prof. Vivian Bruce Sunderland (the "**Assignors**"), to confirm that with effect from 16 August 2012, the rights, title and interest in and to our WaferiX drug delivery platform technology, the patents and patent applications relating to our WaferiX technology, and all improvements made on our WaferiX technology, have been assigned to us, to the extent not already assigned to us under the consultancy agreement dated 2 November 2009 entered into between us and Adjunct Prof. Lim Chin Beng, the consultancy agreement dated 19 August 2009 entered into between us and Emeritus Prof. Vivian Bruce Sunderland and the employment agreement dated 25 April 2011 entered into between us and Mr. Eddy Lee Yip Hang, all of which have since been terminated, the deed of assignment dated 16 August 2012 and the assignment agreement dated 6 January 2014, both entered into between us and the Assignors;

(h) the RMK Deed of Undertaking dated 3 June 2015 entered into between our Company and Dr. Russell Martin Kinghorn (our Executive Officer and one of the shareholders of BST International Pty Ltd ("**BST International**"), a company incorporated in Australia which provides sales, service and customer training activities for Agilent Technologies Australia Pty Ltd ("**Agilent**"), a major supplier of our Group that comprises more than 5.0% of our Group's total purchases of products and services), pursuant to which Dr. Kinghorn has undertaken to (i) dispose of his interests in BST International; (ii) pending such disposal, abstain from any decisions relating to transactions with Agilent; and (iii) refer all transactions undertaken or proposed to be undertaken between our Group and Agilent to our chief financial officer or chief executive officer, as the case may be;

(i) the separate deeds of novation dated 11 June 2015 entered into between our Company and iX Australia, with each of Adjunct Prof. Lim Chin Beng, Dr. Liu Yandi, Emeritus Prof. Vivian Bruce Sunderland and Dr. Jasbir Singh Narulla, pursuant to which the consultancy and advisory agreements dated 1 July 2013 (that is, the LCB Advisory Agreement, LYD Advisory Agreement, VBS Consultancy Agreement and JN Consultancy Agreement), as the case may be, entered into between iX Australia and each of Adjunct Prof. Lim, Dr. Liu, Emeritus Prof. Sunderland and Dr. Narulla respectively, were novated to our Company and each of these persons agreed to provide their services to our Company for a further term of two years commencing on 1 July 2015;

(j) the deed of non-competition dated 18 June 2015 entered into between our Company and Mr. Eddy Lee Yip Hang, pursuant to which Mr. Lee agreed not to undertake any activities or carry on any business or trade that competes directly with the business carried on or proposed to be carried on by our Company for as long as Mr. Lee remains a Controlling Shareholder;

(k) the service agreement dated 18 June 2015 entered into between our Company and Mr. Eddy Lee Yip Hang, our Chairman and CEO, for an initial period of three years with effect from the Listing Date. Under the terms of the service agreement, Mr. Lee is entitled to an annual bonus equivalent to a minimum of three months' salary upon the continuous period of 12 months of service by Mr. Lee and an additional variable bonus, the quantum of which will be determined by our remuneration committee and approved by the board of Directors;

(l) the consulting services agreement dated 23 November 2015 entered into between iX Australia and Dr. Bob Rappaport, as supplemented, modified and amended by an agreement dated 11 March 2016 between both parties, pursuant to which Dr. Rappaport was engaged to assist iX Australia with our drug development programme, including advising iX Australia on clinical development plans and providing strategic scientific guidance to iX Australia in relation to regulatory affairs, which include the drafting of regulatory submissions, briefing documents and other regulatory documents; and

(m) the Undertakings dated 25 May 2016, 23 May 2016 and 27 May 2016 given by Mr. Eddy Lee Yip Hang, Mr. Tan See Tee and Mr. Jaspal Singh Narulla respectively to the Company, the details of which are set out in paragraph 1(f) in the section titled "Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 – Part X – Additional Information Required for Offer of Securities by way of Rights Issue" of this Offer Information Statement.

PART V – OPERATING AND FINANCIAL REVIEW AND PROSPECTS

Operating Results

1. Provide selected data from –

(a) the audited income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, the audited consolidated income statement of the relevant entity or the audited combined income statement of the group, for each financial year (being one of the 3 most recent completed financial years) for which that statement has been published; and

(b) any interim income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any interim consolidated income statement of the relevant entity or interim combined income statement of the group, for any subsequent period for which that statement has been published.

2. The data referred to in paragraph 1 of this Part shall include the line items in the audited income statement, audited consolidated income statement, audited combined income statement, interim income statement, interim consolidated income statement or interim combined income statement, as the case may be, and shall in addition include the following items:

(a) dividends declared per share in both the currency of the financial statements and the Singapore currency, including the formula used for any adjustment to dividends declared;
(b) earnings or loss per share; and

(c) earnings or loss per share, after any adjustment to reflect the sale of new securities.

The audited consolidated statements of comprehensive income of the Group for FY2013, FY2014 and FY2015 and the unaudited consolidated statements of comprehensive income of the Group for 9M2015 and 9M2016 are set out below.

	FY2013[(1)] Audited (S$'000)	FY2014[(1)] Audited (S$'000)	FY2015[(1)] Audited (S$'000)	9M2015[(1)] Unaudited (S$'000)	9M2016 Unaudited (S$'000)
Revenue	–	1,293	7,445	5,208	4,092
Other income	181	307	616	557	800
Expenses					
- Raw materials and consumables used	–	(95)	(573)	(413)	(352)
- Research and development	(642)	(1,006)	(3,746)	(3,267)	(3,009)
- Employee compensation	(402)	(1,790)	(7,915)	(5,819)	(5,775)
- Currency exchange (losses)/gains – net	(270)	112	(1,061)	(851)	(579)
- Depreciation and amortisation	(15)	(207)	(892)	(707)	(682)
- Finance	–	(6)	(47)	(38)	(28)
- Others	(652)	(1,667)	(4,202)	(2,243)	(2,712)
Total expenses	(1,981)	(4,659)	(18,436)	(13,338)	(13,137)

	FY2013[1] Audited (S$'000)	FY2014[1] Audited (S$'000)	FY2015[1] Audited (S$'000)	9M2015[1] Unaudited (S$'000)	9M2016 Unaudited (S$'000)
Loss before income tax	**(1,800)**	**(3,059)**	**(10,375)**	**(7,573)**	**(8,245)**
Income tax (expense)/credit	–	26	(186)	(84)	141
Total loss	**(1,800)**	**(3,033)**	**(10,561)**	**(7,657)**	**(8,104)**
Other comprehensive income:					
Items that may be reclassified subsequently to profit or loss:					
Currency translation differences arising from consolidation – (loss)/gain – net of tax	59	(19)	(55)	(62)	(88)
Total comprehensive loss	**(1,741)**	**(3,052)**	**(10,616)**	**(7,719)**	**(8,192)**
Before the Rights Issue					
Basic and diluted[3] loss per Share[2] (S$ cents)	(0.5)	(0.7)	(2.1)	(1.5)	(1.4)
After the Rights Issue					
Basic and diluted[3] loss per Share[2] (S$ cents)	(0.5)	(0.6)	(2.0)	(1.5)	(1.3)
Dividend per share (S$ cents)	**–**	–	–	–	–

Notes:

(1) For comparative purposes, the issued and paid-up share capital of our Company for FY2013, FY2014, FY2015 and 9M2015 were adjusted for the Sub-division as though the Sub-division had occurred at the beginning of FY2013, FY2014, FY2015 and 9M2015 respectively.

(2) The loss per Share is computed based on (a) the weighted average number of Shares in issue of 377,678,124 Shares in FY2013, 479,436,592 Shares in FY2014, 527,025,901 Shares in FY2015, 519,763,176 Shares in 9M2015 and 614,727,959 Shares in 9M2016; and (b) the assumption that the Rights Issue had been completed at the beginning of each such period and without taking into account the effect of the use of proceeds on the earnings of the Group and that no interest is earned on the Net Proceeds.

(3) The diluted loss per Share is computed based on the same weighted average number of Shares as the basic loss per Share (please refer to Note (2) above), as the Group was incurring losses during the corresponding financial year/period.

3. In respect of –

(a) each financial year (being one of the 3 most recent completed financial years) for which financial statements have been published; and

(b) any subsequent period for which interim financial statements have been published,

provide information regarding any significant factor, including any unusual or infrequent event or new development, which materially affected profit or loss before tax of the relevant entity or, if it is the holding company or holding entity of a group, of the group, and indicate the extent to which such profit or loss before tax of the relevant entity or the group, as the case may be, was so affected. Describe any other significant component of revenue or expenditure necessary to understand the profit or loss before tax for each of these financial periods.

9M2016 compared to 9M2015

Revenue

Revenue generated in 9M2016 was S$4.09 million, which represented a decrease of S$1.12 million (or 21.4%) from S$5.21 million in 9M2015. A breakdown of our revenue by business segments for 9M2015 and 9M2016 was as follows:

Business segments	9M2016 (S$'000)	9M2015 (S$'000)	Increase/ (Decrease)
Specialty Pharmaceutical	96	88	9.1%
Chemical Analysis	3,996	5,120	(22.0%)
Total revenue	4,092	5,208	(21.4%)

Our Group's revenue by business segments consists of:

- our chemical analysis business, which involves the provision of laboratory testing services, that accounted for S$4.00 million (or 97.7%) of our total revenue in 9M2016, which represented a decrease of S$1.12 million (or 22.0%) from S$5.12 million in 9M2015, mainly due to:

  – the weakening of the AUD when translated into SGD, the reporting currency of our Group, resulting in a decrease of S$0.40 million in revenue; and

  – the reduction in market demand for essential similarity testing services. In 9M2015, as the patents for a large number of molecules (in oral dosage form) in the pharmaceutical market had expired, our Company was commissioned by various entities to conduct essential similarity tests of such entities' products against the off-patent molecules to determine whether such entities' products were essentially similar to the off-patent molecules. As such, our essential similarity testing services business generated comparatively higher revenues in 9M2015. Comparatively, as there were fewer patents of pharmaceutical products that expired in 9M2016, our revenue generated from our essential similarity testing services business was lower by S$0.70 million in 9M2016.

- our specialty pharmaceutical business, which involves the manufacturing and sale of pharmaceutical products, that accounted for S$0.10 million (or 2.3%) of total revenue in 9M2016, which represented an increase of S$0.01 million (or 9.1%) from S$0.09 million in 9M2015. Supply and sale of our Wafermine product to hospitals in Australia under the exemption set out in Schedule 5A of the TGR were limited.

Other income

Other income generated in 9M2016 was S$0.80 million, which represented an increase of S$0.24 million (or 43.6%) from S$0.56 million in 9M2015. The increase was mainly due to the grant of an additional amount of S$0.31 million in research and development tax incentives for eligible research and development activities, which was partially offset by a lower amount in governmental grants of S$0.05 million in relation to our specialty pharmaceutical business.

Total expenses

Total expenses incurred in 9M2016 was S$13.14 million, which represented a decrease of S$0.20 million (or 1.5%) from S$13.34 million in 9M2015. The decrease is mainly attributed to the following reasons:

- share-based payments of S$1.48 million made to directors in 9M2015 for their services rendered to the Group, which were not made in 9M2016; and

- lower expenses of S$0.18 million incurred in 9M2016 in relation to the Initial Public Offering, as compared to S$0.35 million incurred in 9M2015 in relation to the Initial Public Offering.

Taking into account the expenses incurred in 9M2015 as described above, total expenses in 9M2016 increased by S$1.45 million (or 12.6%) as compared to 9M2015 mainly due to the following reasons:

Research and development

We incurred research and development expenses of S$3.01 million in 9M2016, which represented a decrease of S$0.26 million (or 7.9%) from S$3.27 million in 9M2015. The decrease was due to the Company undertaking fewer clinical trials in 9M2016 as compared to 9M2015. In 9M2016, the Company had incurred research and development expenses for the undertaking of a pilot bioavailability study on PheoniX, a Phase 2c clinical trial on Wafermine, and preparation work in anticipation of the commencement of a pivotal bioequivalence study on PheoniX.

Please refer to paragraph 9(c) in the section titled "Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 – Part IV – Key Information" of this Offer Information Statement for further details on the pilot bioavailability study on PheoniX, the Phase 2c clinical trial on Wafermine and the pivotal bioequivalence study on PheoniX.

Employee compensation

Employee compensation in 9M2016 was S$5.78 million, which represented a decrease of S$0.04 million (or 0.8%) from S$5.82 million in 9M2015. As disclosed, there were one-off share based payments made to directors of S$1.48 million for their services rendered to the Group in 9M2015. Taking into account such one-off expenses, employee compensation increased by S$1.44 million (or 33.1%) as compared to 9M2015, mainly due to the following reasons:

- the payment of S$0.98 million to new employees hired for the Group's corporate functions, and to additional employees who were hired to support the undertaking of clinical trials in relation to our specialty pharmaceutical business;

- increase in directors' fees of S$0.21 million due to the appointment of additional directors, for compliance with the listing requirements of the SGX-ST in relation to the Initial Public Offering; and

- the making of share-based payments of S$0.14 million to employees of the Group for services rendered to the Group.

Currency exchange gains/losses - net

We incurred currency exchange loss of S$0.58 million in 9M2016, which represented a decrease of S$0.27 million (or 32.0%) from a currency exchange loss of S$0.85 million in 9M2015. The foreign exchange loss was mainly attributed to our AUD and USD holdings in the bank, and to the AUD receivables from our subsidiaries to our Company, as the USD and AUD depreciated against the SGD as at the date of reporting.

Other operating expenses

We incurred other operating expenses of S$2.71 million in 9M2016, which represented an increase of S$0.47 million (or 20.9%) from S$2.24 million in 9M2015. As stated above, there was a one-off increase in one-off expenses in relation to the Initial Public Offering of S$0.17 million. The remaining increase of S$0.30 million was mainly attributed to an increase in professional fees of S$0.20 million in relation to compliance with the listing requirements of the SGX-ST in relation to the Initial Public Offering, and an increase in office rental and related expenses of S$0.16 million.

Income tax expense

We incurred income tax credits of S$0.14 million in 9M2016, which represented a difference of S$0.22 million from income tax expenses of S$0.08 million in 9M2015. This was mainly attributed to a deferred tax benefit arising from the amortisation of intangible assets (that is, technological know-how), which was partially offset by income tax imposed on the lower profits generated from our chemical analysis business.

FY2015 compared to FY2014

Revenue

Revenue generated in FY2015 was S$7.45 million, which represented an increase of S$6.15 million (or 475.8%) from S$1.29 million in FY2014. A breakdown of our revenue by business segments for FY2014 and FY2015 was as follows:

Business segments	FY2015 (S$'000)	FY2014 (S$'000)	Increase/ (Decrease)
Specialty Pharmaceutical	111	355	(68.7%)
Chemical Analysis	7,334	938	681.9%
Total revenue	7,445	1,293	475.8%

For FY2015, the Group accounted for the full year revenue generated by two of our subsidiaries, Syrinx and CAPL. Comparatively, for FY2014, the Group accounted for only two months of revenue contribution from Syrinx and CAPL, as both subsidiaries were only acquired in May 2014. As such, the increase in total revenue for FY2015 was mainly due to our Group accounting for the full year revenue generated by Syrinx and CAPL, compared to the revenue generated by Syrinx and CAPL for a period of only two months for FY2014.

Our Group's revenue by business segments consists of:

- our chemical analysis business, which involves the provision of laboratory testing services, accounted for S$7.33 million (or 98.5%) of our total revenue in FY2015, which represented an increase of S$6.40 million (or 681.9%) from S$0.94 million in FY2014, due to there being revenue for a period of only two months being reported in FY2014 following the acquisition of CAPL in May 2014; and

- our specialty pharmaceutical business, which involves the manufacturing and sale of pharmaceutical products, accounted for S$0.11 million (or 1.5%) of total revenue in FY2015, which represented a decrease of S$0.24 million (or 68.7%) from S$0.36 million in FY2014. The revenue generated in FY2015 was mainly attributed to the sale of pharmaceutical products. No consultancy and licence fee income were generated in FY2015 following the acquisition of Syrinx by our Company in May 2014. In comparison, a consultancy and licence fee income of S$0.35 million was generated in FY2014, as prior to our Company's acquisition of Syrinx in May 2014, Syrinx had paid consultancy and licence fees to our Company.

Other income

Other income generated in FY2015 was S$0.62 million, which represented an increase of S$0.31 million (or 100.7%) from S$0.31 million in FY2014. The increase was mainly due to the following reasons:

- the grant of an additional amount of S$0.24 million in research and development tax incentives for eligible research and development activities; and

- an additional amount of S$0.08 million from governmental grants in relation to our specialty pharmaceutical business.

Total expenses

Total expenses incurred in FY2015 was S$18.44 million, which represented an increase of S$13.78 million (or 295.7%) from S$4.66 million in FY2014. For FY2015, the Group accounted for the full year expenses of Syrinx and CAPL, compared to the expenses incurred by Syrinx and CAPL for a period of only two months for FY2014. This resulted in incremental expenses of S$5.70 million, representing 41.4% of the increase in total expenses. The breakdown of such incremental expenses incurred of S$5.70 million was as follows:

- the increase in raw materials and consumables expenses by S$0.48 million;

- the increase in depreciation expenses by S$0.69 million;

- the increase in employee compensation by S$3.44 million; and

- the increase in other operating expenses by S$1.09 million.

The remaining expenses incurred of S$8.08 million (or 58.6%) out of the S$13.78 million increase in total expenses incurred from FY2014 to FY2015, are mainly due to the following reasons:

Research and development

We incurred research and development expenses of S$3.75 million in FY2015, which represented an increase of S$2.74 million (or 272.4%) from S$1.01 million in FY2014. The increase was mainly due to the additional amounts incurred for the undertaking of the Phase 2a and Phase 2b clinical studies on Wafermine in FY2015. Please refer to paragraph 9(c) in the section titled "Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 – Part IV – Key Information" of this Offer Information Statement for further details on the Phase 2a and Phase 2b clinical studies on Wafermine.

Employee compensation

Employee compensation in FY2015 was S$7.92 million, which represented an increase of S$6.13 million (or 342.2%) from S$1.79 million in FY2014. As disclosed, the increase in employee compensation of S$3.44 million from FY2014 to FY2015 was due to our Group accounting for the full year employee expenses incurred by Syrinx and CAPL for FY2015, compared to employee expenses incurred by Syrinx and CAPL for a period of only two months for FY2014. The balance increase of S$2.69 million from FY2014 to FY2015 was mainly due to the following reasons:

- the payment of S$0.63 million to new employees hired for the purposes of undertaking corporate work in connection with the Initial Public Offering, and to additional employees who were hired to support the undertaking of clinical trials in relation to our specialty pharmaceutical business; and

- the making of share-based payments of S$2.06 million to directors and executive officers of the Group for services rendered to the Group. This was mainly attributed to the issue of new Shares with a value of S$1.82 million to certain directors and an employee, credited as fully paid, and share options with a fair value of S$0.24 million that were granted to certain employees.

Currency exchange gains/losses - net

We incurred currency exchange loss of S$1.06 million in FY2015, which represented a difference of S$1.17 million from a currency exchange gain of S$0.11 million in FY2014. The foreign exchange loss was mainly attributed to our AUD holdings in the bank, and to the AUD receivables from our subsidiaries to our Company, as the AUD depreciated against the SGD as at the date of reporting.

Other operating expenses

We incurred other operating expenses of S$4.20 million in FY2015, which represented an increase of S$2.53 million (or 152.1%) from S$1.67 million in FY2014. As disclosed, the increase in other operating expenses of S$1.09 million from FY2014 to FY2015 was due to our Group accounting for the full year other operating expenses incurred by Syrinx and CAPL for FY2015, compared to other operating expenses incurred by Syrinx and CAPL for a period of only two months for FY2014. The remaining increase of S$1.44 million was mainly due to a one-off expense in relation to the Initial Public Offering of S$1.36 million.

Income tax expense

We incurred income tax expenses of S$0.19 million in FY2015, which represented an increase of S$0.21 million from income tax credits of S$0.03 million in FY2014. This was mainly attributed to income tax imposed on the higher profits generated from our chemical analysis business, which was partially offset by a deferred tax benefit arising from the amortisation of intangible assets (that is, technological know-how).

FY2014 compared to FY2013

Revenue

Revenue generated in FY2014 was S$1.29 million, which represented an increase of S$1.29 million (or 100.0%) from S$0 in FY2013. The increase was mainly due to the following reasons:

- our chemical analysis business which accounted for S$0.94 million or 72.5% of our total revenue. Our chemical analysis business only began contributing revenue to our Group from May 2014 following our acquisition of Syrinx; and

- our specialty pharmaceutical business which accounted for S$0.35 million or 27.4% of total revenue. Our specialty pharmaceutical business revenue was mainly generated from consultancy and licence fees charged to Syrinx prior to our acquisition of Syrinx in May 2014. No consultancy and licence fee income was generated by our Company following the acquisition of Syrinx by our Company.

Other income

Other income generated in FY2014 was S$0.31 million, which represented an increase of S$0.13 million (or 69.5%) from S$0.18 million in FY2013. The increase was mainly due to the following reasons:

- the grant of an additional amount of S$0.07 million in research and development tax incentives for eligible research and development activities; and

- an additional interest of S$0.06 million from bank deposits, due to a higher level of cash deposits in the bank.

Raw materials and consumables used

We incurred raw materials and consumables expenses of S$0.10 million in FY2014. For FY2013, there were no raw material and consumables expenses incurred as our pharmaceutical products were under development and were not commercially ready. The raw materials and consumables expenses incurred in FY2014 were mainly due to the purchase of chemical ingredients, materials and supplies used in our chemical analysis business.

Research and development

We incurred research and development expenses of S$1.01 million in FY2014, which represented an increase of S$0.36 million (or 56.7%) from $0.64 million in FY2013. The increase was mainly due to the following reasons:

- the incurring of an additional amount of S$0.03 million for the undertaking of the Phase 2a clinical study on Wafermine. Please refer to paragraph 9(c) in the section titled "Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 – Part IV – Key Information" of this Offer Information Statement for further details on the Phase 2a clinical study on Wafermine; and

- the incurring of an additional amount of S$0.34 million in share options granted to our contract consultants on the Scientific Advisory Board, for consultancy services rendered to our Company in relation to the formulation of our proprietary pharmaceutical products.

Employee compensation

Employee compensation in FY2014 was S$1.79 million, which represented an increase of S$1.39 million (or 345.3%) from S$0.40 million in FY2013. The increase was mainly due to the following reasons:

- the incurring of additional employee costs of S$0.56 million in relation to our chemical analysis business following the acquisition of CAPL in May 2014;

- an additional amount of S$0.83 million in relation to our specialty pharmaceutical business, which was mainly attributed to:

  – incurring of additional employee costs of S$0.20 million following the acquisition of Syrinx in May 2014;

  – payment of contractually agreed salary and bonus of S$0.16 million to the employees employed in relation to our specialty pharmaceutical business;

– share options with a fair value of S$0.14 million that were granted to a director of our subsidiary, iX Australia, for services rendered to our Group;

– director's fee of S$0.14 million, which was paid to a director of our subsidiary, iX Australia, for services rendered to our Group;

– payment of an additional amount of S$0.09 million to reimburse the housing rentals of our employees according to their employment contracts; and

– payment of an additional amount of S$0.07 million in staff benefits to our employees employed in relation to our specialty pharmaceutical business.

Currency exchange gains/losses - net

We generated currency exchange gains of S$0.11 million in FY2014, which represented a difference of S$0.38 million from a currency exchange loss of S$0.27 million in FY2013. The foreign exchange gain was mainly attributed to our AUD and USD holdings in the bank, and to the AUD receivables from our subsidiaries to our Company, as the AUD and USD appreciated against the SGD as at the date of reporting.

Depreciation and amortisation

We incurred depreciation expenses of S$0.12 million in FY2014, which represented an increase of S$0.10 million (or 684.4%) from S$0.02 million in FY2013. This was mainly due to our Group accounting for the depreciation expenses incurred by Syrinx and CAPL for the period of two months in FY2014 following their acquisition by our Company in May 2014, for the depreciation of our Company's fixed assets (mainly to plant and equipment) of S$2.49 million.

We incurred amortisation expenses of S$0.09 million in FY2014, for the amortisation of our intangible assets (technological know-how) of S$2.64 million. No amortisation expenses were incurred in FY2013.

Other operating expenses

We incurred other operating expenses of S$1.67 million in FY2014, which represented an increase of S$1.02 million (or 155.7%) from S$0.65 million in FY2013. The increase was mainly due to the following reasons:

- an additional amount of S$0.19 million incurred in relation to our chemical analysis business, which was attributed to:

  – other operating expenses of S$0.14 million following the acquisition of CAPL in May 2014; and

  – a loss of S$0.05 million incurred from the disposal of fixed assets;

- an additional amount of S$0.83 million incurred in relation to our specialty pharmaceutical business, which was mainly attributed to:

  – other operating expenses of S$0.15 million following the acquisition of Syrinx in May 2014;

  – increase in legal advisory and consultancy services of S$0.19 million rendered to our Group;

  – fees incurred in connection with the application for additional patents and trademarks in certain countries in Asia Pacific, Middle East, Europe and North America of S$0.09 million;

– the issue of new Shares with a value of S$0.20 million to certain persons for business development services rendered to our Group; and

– travel and accommodation expenses of S$0.19 million due to the increase in business activities.

Income tax expense

We generated income tax credits of S$0.03 million in FY2014, which was due solely to a deferred tax benefit that arose from the timing difference between accounting and tax treatment on the amortisation of S$2.64 million of intangible assets (that is, technological know-how). No income tax expenses or credits were incurred or generated (as the case may be) in FY2013.

Financial Position

4. Provide selected data from the balance sheet of the relevant entity or, if it is the holding company or holding entity of a group, the group as at the end of –

(a) the most recent completed financial year for which audited financial statements have been published; or

(b) if interim financial statements have been published for any subsequent period, that period.

5. The data referred to in paragraph 4 of this Part shall include the line items in the audited or interim balance sheet of the relevant entity or the group, as the case may be, and shall in addition include the following items:

(a) number of shares after any adjustment to reflect the sale of new securities;

(b) net assets or liabilities per share; and

(c) net assets or liabilities per share after any adjustment to reflect the sale of new securities.

The audited consolidated balance sheet of the Group as at 30 June 2015 and the unaudited consolidated balance sheet of the Group as at 31 March 2016 are set out below.

	As at 30 June 2015 Audited (S$'000)	As at 31 March 2016 Unaudited (S$'000)
ASSETS		
Current assets		
Cash and cash equivalents	8,891	28,259
Trade and other receivables	1,738	1,568
Other current assets	306	480
	10,935	30,307
Non-current assets		
Deposits – operating lease	60	60
Intangible assets	2,236	1,959
Property, plant and equipment	2,169	2,804
	4,465	4,823
Total assets	**15,400**	**35,130**
LIABILITIES		
Current liabilities		
Trade and other payables	3,034	2,542
Current income tax liabilities	37	–
Borrowings	84	102
Contingent consideration payable	789	–
Provision	160	157
	4,104	2,801
Non-current liabilities		
Provision	14	20
Deferred government grant	104	78
Borrowings	397	379
Deferred income tax liabilities	537	392
	1,052	869
Total liabilities	5,156	3,670
NET ASSETS	**10,244**	**31,460**
EQUITY		
Capital and reserves attributable to equity holders of the Company		
Share capital	29,019	59,352
Other reserves	1,284	271
Accumulated losses	(20,059)	(28,163)
Total equity	**10,244**	**31,460**

For illustrative purposes only, the following is an analysis of the financial effects of the Rights Issue on the net asset value ("**NAV**") per Share of the Group.

	As at 30 June 2015	As at 31 March 2016
Before the Rights Issue		
NAV (S$'000)	10,244	31,460
Number of Shares	524,694,220	599,794,220
NAV per Share (S$ cents)	2.0	5.2
After the Rights Issue		
NAV (S$'000)	15,187	36,403
Number of Shares	549,278,504	624,378,504
NAV per Share (S$ cents)	2.8	5.8

A review of the audited consolidated balance sheet of the Group as at 30 June 2015 against the unaudited consolidated balance sheet of the Group as at 31 March 2016 is set out below.

Cash and cash equivalents was S$28.26 million as at 31 March 2016, which represented an increase of S$19.37 million (or 217.8%) from S$8.89 million as at 30 June 2015. The increase was mainly due to gross proceeds of S$30.13 million arising from the issuance of 65,500,000 Shares pursuant to the Initial Public Offering, which was partially offset by professional fees and related expenses incurred in connection with the Initial Public Offering of S$1.06 million and cash outflows in operating activities of S$7.20 million.

Trade and other receivables was S$1.57 million as at 31 March 2016, which represented a decrease of S$0.17 million (or 9.8%) from S$1.74 million as at 30 June 2015. The decrease was mainly due to decreased services provided in relation to our chemical analysis business of S$0.62 million, which was partially offset by higher research and development tax incentives receivables of S$0.45 million.

Property, plant and equipment and intangible assets were S$4.76 million as at 31 March 2016, which represented a net increase of S$0.36 million (or 8.1%) from S$4.40 million as at 30 June 2015. The increase was mainly due to the acquisition of property, plant and equipment of S$1.06 million, including a freezer dryer of S$0.62 million, which was partially offset by depreciation and amortisation expenses of S$0.68 million.

Trade and other payables was S$2.54 million as at 31 March 2016, which represented a decrease of S$0.49 million (or 16.2%) from S$3.03 million as at 30 June 2015. The decrease was mainly due to accruals for one-off expenses relating to the Initial Public Offering in FY2015.

Liquidity and Capital Resources

6. Provide an evaluation of the material sources and amounts of cash flows from operating, investing and financing activities in respect of –

(a) the most recent completed financial year for which financial statements have been published; and

(b) if interim financial statements have been published for any subsequent period, that period.

The audited consolidated statement of cash flows of the Group for FY2015 and the unaudited consolidated statement of cash flows of the Group for 9M2016 are set out below.

	FY2015 Audited (S$'000)	9M2016 Unaudited (S$'000)
Cash flows from operating activities		
Total loss after tax	(10,561)	(8,104)
Adjustments for:		
– Deferred government grant income	(81)	(25)
– Depreciation and amortisation expense	892	682
– Income tax expense/(credit)	186	(141)
– Interest income on bank deposits	(57)	(27)
– Interest expense	47	28
– Provision expense	51	4
– Research and development tax incentive	(478)	(741)
– Share based payment expense	2,441	342
– Change in fair value of contingent consideration payable	(108)	(23)
– Unrealised currency exchange losses/(gains) - net	620	561
	(7,048)	**(7,444)**
Changes in working capital:		
– Trade and other receivables	(761)	624
– Other current assets	(335)	(174)
– Trade and other payables	1,495	(490)
Cash used in operations	**(6,649)**	**(7,484)**
Interest received	57	25
Research and development tax incentive received	139	264
Net cash used in operating activities	**(6,453)**	**(7,195)**
Cash flows from investing activities		
Additions to property, plant and equipment	(265)	(1,039)
Additions to intangible assets	(142)	(18)
Payment of contingent consideration payable	(732)	(767)
Proceeds from government grant	129	–
Net cash (used in)/from investing activities	**(1,010)**	**(1,824)**
Cash flows from financing activities		
Proceeds from issuance of ordinary shares and shares to be issued	5,627	30,130
Transaction costs paid pursuant to the Initial Public Offering	–	(1,064)
Repayment of borrowings	(964)	(69)
Proceeds from borrowings	–	53
Interest paid	(20)	(12)
Interest in pledged fixed deposits	–	(400)
Net cash provided by financing activities	**4,643**	**28,638**

	FY2015 Audited (S$'000)	9M2016 Unaudited (S$'000)
Net (decrease)/increase in cash and cash equivalents	**(2,820)**	**19,619**
Cash and cash equivalents at beginning of the financial year/period	12,083	8,891
Effects of currency translation on cash and cash equivalents	(372)	(651)
Cash and cash equivalents at end of the financial year/period	**8,891**	**27,859**
Cash and cash equivalents comprise the following:		
Cash and cash equivalents in balance sheet	8,891	28,259
Less: Bank deposits pledged	–	(400)
Cash and cash equivalents per consolidated statement of cash flows	8,891	27,859

A review of the cash flow position of the Group for FY2015 and 9M2016 is set out below.

REVIEW OF CASH FLOWS FOR 9M2016

Net cash flows used in operating activities

In 9M2016, our Group recorded net cash flows used in operating activities of S$7.20 million, which comprised operating cash outflows before working capital changes of S$7.44 million and net working capital outflow of S$0.04 million, which was offset by research and development tax incentives received of S$0.26 million and interest income received of S$0.02 million.

Net cash flows used in investing activities

In 9M2016, our Group's net cash flows used in investing activities was S$1.82 million, which comprised mainly cash outflow from the acquisition of property, plant and equipment of S$1.04 million and cash outflow from the second earn-out payment of S$0.77 million, paid under the Earn-Out Arrangement (as defined in paragraph 9(c) in the section titled "Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 – Part IV – Key Information" of this Offer Information Statement).

Net cash flows generated from financing activities

In 9M2016, our Group's net cash from financing activities was S$28.64 million, which comprised mainly gross proceeds of S$30.13 million from the issuance of 65,500,000 Shares pursuant to the Initial Public Offering, which was partially offset by professional fees and related expenses incurred in connection with the Initial Public Offering of S$1.06 million and an increase in pledged fixed deposits of the Company of S$0.40 million.

REVIEW OF CASH FLOWS FOR FY2015

Net cash flows used in operating activities

In FY2015, our Group recorded net cash flows used in operating activities of S$6.45 million, which comprised operating cash outflows before working capital changes of S$7.05 million, which was offset by net working capital inflow of S$0.40 million, research and development tax incentive received of S$0.14 million and interest income received of S$0.06 million.

Net cash flows used in investing activities

In FY2015, our Group's net cash flows used in investing activities was S$1.01 million, which comprised mainly cash outflow from the first earn-out payment of S$0.73 million, paid under the Earn-Out Arrangement.

Net cash flows generated from financing activities

In FY2015, our Group's net cash from financing activities was S$4.64 million, which comprised mainly proceeds from new Share issuances of S$5.63 million to fund the expansion of the Group's operations and to finance the Group's working capital. This was partially offset by full repayment of loans of S$0.96 million granted by shareholders and related parties of the Group to our Company for our acquisition of Syrinx.

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7. Provide a statement by the directors or equivalent persons of the relevant entity as to whether, in their reasonable opinion, the working capital available to the relevant entity or, if it is the holding company or holding entity of a group, to the group, as at the date of lodgement of the offer information statement, is sufficient for present requirements and, if insufficient, how the additional working capital considered by the directors or equivalent persons to be necessary is proposed to be provided.

As at the date of lodgement of this Offer Information Statement, the Directors are of the opinion that, barring any unforeseen circumstances, and after taking into consideration the Group's internal resources, operating cash flows and banking facilities, the working capital available to the Group is sufficient to meet the Group's present requirements.

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8. If the relevant entity or any other entity in the group is in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the relevant entity's financial position and results or business operations, or the investments by holders of securities in the relevant entity, provide –

(a) a statement of that fact;

(b) details of the credit arrangement or bank loan; and

(c) any action taken or to be taken by the relevant entity or other entity in the group, as the case may be, to rectify the situation (including the status of any restructuring negotiations or agreement, if applicable).

As at the Latest Practicable Date, to the best of the Directors' knowledge, the Group is not in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the Group's financial position and results or business operations, or the investments by holders of securities in the Company.

Trend Information and Profit Forecast or Profit Estimate

9. Discuss, for at least the current financial year, the business and financial prospects of the relevant entity or, if it is the holding company or holding entity of a group, the group, as well as any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on net sales or revenues, profitability, liquidity or capital resources, or that would cause financial information disclosed in the offer information statement to be not necessarily indicative of the future operating results or financial condition. If there are no such trends, uncertainties, demands, commitments or events, provide an appropriate statement to that effect.

The discussion on the business and financial prospects of the Group set out herein may contain forward-looking statements, and are subject to certain risks. Please refer to the section titled "Cautionary Note on Forward-Looking Statements" of this Offer Information Statement for further details.

Save as disclosed below and in the section titled "Risk Factors" of this Offer Information Statement and elsewhere in this Offer Information Statement, the Company's annual reports, circulars and SGXNET announcements, and barring any unforeseen circumstances, the Directors are not aware of any known trends, uncertainties, demands, commitments or events of the current financial year that are reasonably likely to have a material effect on the Group's sales or revenues, profitability, liquidity or capital resources, or that would cause financial information disclosed in this Offer Information Statement to be not necessarily indicative of the future operating results or financial condition of the Group.

Business and Financial Prospects of our Group for the Current Financial Year

Our Group currently only manufactures and supplies limited quantities of Wafermine under contracts of sale to hospitals or public institutions in Australia under an exemption in Schedule 5A of the TGR. We intend to further commercialise Wafermine and our other products in Australia, as well as other parts of the world where it is commercially viable to do so and upon receipt of relevant approvals from the regulatory authorities, including the FDA. To achieve our goal, we have clearly defined clinical development programmes for each of our products.

In relation to our lead product, Wafermine, our Group had completed a Phase 2c clinical study on Wafermine in March 2016. Following the completion of all the Phase 2 clinical studies on Wafermine, we plan to conduct an end-of-Phase 2 meeting with the FDA to agree on the designs of the next two Phase 3 clinical studies on Wafermine as well as to determine if the FDA has any additional requirements for Wafermine to be registered with them. Upon the receipt of a successful outcome of the Phase 3 clinical studies, we intend to submit a new drug application to the FDA for Wafermine. Upon the obtaining of FDA approval for Wafermine, we would be able to market Wafermine in the US. In addition, as our Group is currently only manufacturing and supplying limited quantities of Wafermine under contracts of sale to hospitals or public institutions in Australia under an exemption in Schedule 5A of the TGR, we would also consider registering Wafermine with the TGA for the marketing of Wafermine in Australia.

In relation to PheoniX, our Group completed a pilot bioavailability study on PheoniX in November 2015 and commenced a pivotal bioequivalence study on PheoniX in April 2016. A successful conclusion of the pivotal bioequivalence study will enable us to register PheoniX with the TGA or other relevant regulatory authorities for its commercialisation.

Please refer to paragraph 9(c) in the section titled "Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 – Part IV – Key Information" of this Offer Information Statement for further details on the Phase 2c clinical study on Wafermine and the pilot bioavailability study on PheoniX.

In relation to Wafernyl, our Group completed a Phase 1 clinical study on Wafernyl in August 2010. The Phase 1 clinical study was designed to investigate the absolute bioavailability and pharmacokinetic profile of Wafernyl in 24 healthy volunteers. The volunteers received doses of fentanyl typical of those used as starting doses in patients with breakthrough pain, by intravenous administration and by sublingual administration of Wafernyl. The blood samples of the healthy volunteers after each fentanyl administration were then collected and compared at intervals. The study showed that there was a low 10.0% variability in the absorption of Wafernyl between the volunteers, indicating a highly reliable delivery of fentanyl from Wafernyl. We are currently exploring the registration of Wafernyl with the TGA for the marketing of Wafernyl in Australia, and with the FDA for marketing of Wafernyl in the US, through using the expedited regulatory pathway set out under Section 505(j) of the FD&C Act, that is, on the basis of bioequivalence with an existing FDA-approved drug.

Trends, Uncertainties, Demands, Commitments or Events

To the best of the Directors' knowledge and belief as at the Latest Practicable Date, the risk factors that are material to Shareholders and prospective investors in making an informed judgment on the Rights Issue are set out in the section titled "Risk Factors" of this Offer Information Statement. Shareholders and prospective investors should carefully consider and evaluate each of the following considerations and all other information contained in this Offer Information Statement before deciding to invest in the Rights Shares and/or the Shares. The Group could be affected by a number of risks that may relate to the industries and countries in which the Group operates as well as those that may generally arise from, among others, economic, business, market and political factors, including the risks set out herein.

The risks described in the section titled "Risk Factors" of this Offer Information Statement are not intended to be exhaustive. There may be additional risks not presently known to the Group, or that the Group may currently deem immaterial, which could affect its operations. If any of the following considerations and uncertainties develops into actual events, the business, financial condition, results of operations and prospects of the Company and the Group could be materially and adversely affected. In such event, the trading price of the Shares and/or the Rights Shares could decline due to any of these considerations and uncertainties, and Shareholders and investors may lose all or part of their investment in the securities of the Company.

10. Where a profit forecast is disclosed, state the extent to which projected sales or revenues are based on secured contracts or orders, and the reasons for expecting to achieve the projected sales or revenues and profit, and discuss the impact of any likely change in business and operating conditions on the forecast.

Not applicable. No profit forecast is disclosed in this Offer Information Statement.

11. Where a profit forecast or profit estimate is disclosed, state all principal assumptions, if any, upon which the directors or equivalent persons of the relevant entity have based their profit forecast or profit estimate, as the case may be.

Not applicable. No profit forecast or profit estimate is disclosed in this Offer Information Statement.

12. Where a profit forecast is disclosed, include a statement by an auditor of the relevant entity as to whether the profit forecast is properly prepared on the basis of the assumptions referred to in paragraph 11 of this Part, is consistent with the accounting policies adopted by the relevant entity, and is presented in accordance with the accounting standards adopted by the relevant entity in the preparation of its financial statements.

Not applicable. No profit forecast is disclosed in this Offer Information Statement.

13. Where the profit forecast disclosed is in respect of a period ending on a date not later than the end of the current financial year of the relevant entity, provide in addition to the statement referred to in paragraph 12 of this Part –

(a) a statement by the issue manager to the offer, or any other person whose profession or reputation gives authority to the statement made by him, that the profit forecast has been stated by the directors or equivalent persons of the relevant entity after due and careful enquiry and consideration; or

(b) a statement by an auditor of the relevant entity, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.

Not applicable. No profit forecast is disclosed in this Offer Information Statement.

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14. Where the profit forecast disclosed is in respect of a period ending on a date after the end of the current financial year of the relevant entity, provide in addition to the statement referred to in paragraph 12 of this Part –

(a) a statement by the issue manager to the offer, or any other person whose profession or reputation gives authority to the statement made by him, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast; or

(b) a statement by an auditor of the relevant entity, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.

Not applicable. No profit forecast is disclosed in this Offer Information Statement.

Significant Changes

15. Disclose any event that has occurred from the end of -

(a) the most recent completed financial year for which financial statements have been published; or

(b) if interim financial statements have been published for any subsequent period, that period,

to the latest practicable date which may have a material effect on the financial position and results of the relevant entity or, if it is the holding company or holding entity of a group, the group, or, if there is no such event, provide an appropriate negative statement.

Save as disclosed in paragraph 9 of the section titled "Sixteenth Schedule of the Securities and Futures (Offer of Investments) (Shares and Debentures) Regulations 2005 – Part IV – Key Information" of this Offer Information Statement and elsewhere in this Offer Information Statement, the Company's annual reports, circulars and SGXNET announcements, the Directors are not aware of any event that has occurred from 31 March 2016 to the Latest Practicable Date which may have a material effect on the financial position and results of the Group.

Meaning of "published"

16. In this Part, "published" includes publication in a prospectus, in an annual report or on the SGXNET.

Noted.

PART VI – THE OFFER AND LISTING

Offer and Listing Details

1. Indicate the price at which the securities are being offered and the amount of any expense specifically charged to the subscriber or purchaser. If it is not possible to state the offer price at the date of lodgement of the offer information statement, the method by which the offer price is to be determined must be explained.

The Issue Price for each Rights Share is S$0.21, payable in full upon acceptance and/or application.

No expense incurred by the Company in respect of the Rights Issue will be specifically charged to subscribers of the Rights Shares. The expenses associated with the Rights Issue will be deducted from the gross proceeds received by the Company from the Rights Issue.

For Electronic Applications made through the ATMs of the Participating Banks, a non-refundable administrative fee for each application will be charged by each of the respective Participating Banks at the point of application, and such administrative fee will be borne by the subscribers of the Rights Shares and/or (if applicable) Excess Rights Shares.

2. If there is no established market for the securities being offered, provide information regarding the manner of determining the offer price, the exercise price or conversion price, if any, including the person who establishes the price or is responsible for the determination of the price, the various factors considered in such determination and the parameters or elements used as a basis for determining the price.

Not applicable. The Shares are, and the Rights Shares will be, traded on Catalist.

3. If –

(a) any of the relevant entity's shareholders or equity interest-holders have pre-emptive rights to subscribe for or purchase the securities being offered; and

(b) the exercise of the rights by the shareholder or equity interest-holder is restricted, withdrawn or waived,

indicate the reasons for such restriction, withdrawal or waiver, the beneficiary of such restriction, withdrawal or waiver, if any, and the basis for the offer price.

Other than the Rights, none of the Shareholders has pre-emptive rights to subscribe for the Rights Shares.

As there may be prohibitions or restrictions against the offering of Rights Shares in certain jurisdictions, only Entitled Shareholders are eligible to participate in the Rights Issue. Please refer to the section titled "Eligibility of Shareholders to Participate in the Rights Issue" of this Offer Information Statement for further information.

4. If securities of the same class as those securities being offered are listed for quotation on any securities exchange –

(a) in a case where the first-mentioned securities have been listed for quotation on the securities exchange for at least 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first-mentioned securities –

(i) for each of the 12 calendar months immediately preceding the calendar month in which the latest practicable date falls; and

(ii) for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date; or

(b) in a case where the first-mentioned securities have been listed for quotation on the securities exchange for less than 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first-mentioned securities –

(i) for each calendar month immediately preceding the calendar month in which the latest practicable date falls; and

(ii) for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date;

(c) disclose any significant trading suspension that has occurred on the securities exchange during the 3 years immediately preceding the latest practicable date or, if the securities have been listed for quotation for less than 3 years, during the period from the date on which the securities were first listed to the latest practicable date; and

(d) disclose information on any lack of liquidity, if the securities are not regularly traded on the securities exchange.

(a) Not applicable. The Shares have been listed for quotation on Catalist for less than 12 months immediately preceding the Latest Practicable Date.

(b) The highest and lowest closing prices of the Shares and the volume of Shares traded on Catalist over the last 11 calendar months immediately preceding the Latest Practicable Date and for the period from 1 June 2016 to the Latest Practicable Date are as follows:

	Price Range (S$)		Volume of Shares traded
Month	**High**	**Low**	**('000)**
July 2015[1]	0.56	0.395	73,951
August 2015	0.41	0.255	8,005
September 2015	0.31	0.255	6,403
October 2015	0.4	0.29	5,008
November 2015	0.415	0.31	12,297
December 2015	0.45	0.38	14,124
January 2016	0.47	0.395	11,296
February 2016	0.43	0.385	2,968
March 2016	0.42	0.38	2,936
April 2016	0.41	0.35	8,334
May 2016	0.35	0.315	4,244
1 June 2016 to the Latest Practicable Date	0.325	0.295	4,627

Source: Bloomberg L.P.[2]

Notes:

(1) The highest and lowest closing prices of the Shares and the volume of Shares traded on Catalist for the month of July 2015 reflects only information from 22 July 2015, being the date of the Company's listing on Catalist, to 31 July 2015.

(2) Bloomberg L.P. has not consented to the inclusion of the information above and is thereby not liable for such information under Sections 253 and 254 of the SFA. The Company has included the above information in its proper form and context in this Offer Information Statement and has not verified the accuracy of such information.

(c) The Shares were listed on Catalist on 22 July 2015. There has been no significant trading suspension of the Shares on Catalist from 22 July 2015 to the Latest Practicable Date.

(d) Please refer to the table set out in paragraph 4(b) of this part above for the volume of Shares traded during each of the last 11 calendar months immediately preceding the Latest Practicable Date and for the period from 1 June 2016 to the Latest Practicable Date. Based on the information set out therein, the Shares are regularly traded on Catalist.

5. Where the securities being offered are not identical to the securities already issued by the relevant entity, provide –

(a) statement of the rights, preferences and restrictions attached to the securities being offered; and

(b) an indication of the resolutions, authorisations and approvals by virtue of which the entity may create or issue further securities, to rank in priority to or pari passu with the securities being offered.

Not applicable. The Rights Shares will, on allotment and issue, rank *pari passu* and without preference in all respects with the existing Shares for any dividends, rights, allotments or other distributions, the record date for which falls on or after the date of allotment and issue of the Rights Shares.

The Rights Shares are to be issued pursuant to the authority granted to the Directors pursuant to the approval obtained from Shareholders at the annual general meeting of the Company held on 23 October 2015.

Plan of Distribution

6. Indicate the amount, and outline briefly the plan of distribution, of the securities that are to be offered otherwise than through underwriters. If the securities are to be offered through the selling efforts of any broker or dealer, describe the plan of distribution and the terms of any agreement or understanding with such entities. If known, identify each broker or dealer that will participate in the offer and state the amount to be offered through each broker or dealer.

Basis of Provisional Allotment

The Rights Issue is made on a renounceable non-underwritten basis to Entitled Shareholders, at an issue price of S$0.21 for each Rights Share, on the basis of one Rights Share for every 25 existing Shares held by Entitled Shareholders as at the Books Closure Date, fractional entitlements to be disregarded.

Based on the Existing Issued Share Capital and assuming the Rights Issue is fully subscribed, up to 24,584,284 Rights Shares will be issued.

The Rights Shares are payable in full upon acceptance and/or application and will, on allotment and issue, rank *pari passu* and without preference in all respects with the existing Shares for any dividends, rights, allotments or other distributions, the record date for which falls on or after the date of allotment and issue of the Rights Shares.

Entitled Shareholders

Entitled Shareholders will be provisionally allotted Rights Shares under the Rights Issue on the basis of their shareholdings as at the Books Closure Date. Entitled Shareholders are at liberty to accept (in full or in part), decline, renounce or in the case of Entitled Depositors only, trade their Rights on Catalist during the Rights Trading Period, and are eligible to apply for additional Rights Shares in excess of their provisional allotments under the Rights Issue.

Fractional entitlements to the Rights Shares will be disregarded in arriving at the Shareholders' entitlements and will, together with such Rights Shares that are not validly taken up by Entitled Shareholders, their respective renouncee(s) or Purchaser(s), any unsold Rights of Foreign Shareholders and any Rights Shares that are otherwise not allotted for whatever reason, in accordance with the terms and conditions contained in this Offer Information Statement, the ARE, the ARS and the PAL, be aggregated and used to satisfy applications for Excess Rights Shares (if any), or disposed of or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. In the allotment of any Excess Rights Shares, preference will be given to the rounding of odd lots, and Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the board of Directors will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares. The Company will also not make any allotment and issuance of any Excess Rights Shares that will result in a transfer of controlling interest in the Company unless otherwise approved by Shareholders in a general meeting. For the avoidance of doubt, only Entitled Shareholders (and not Purchasers or the renouncees of Entitled Shareholders) shall be entitled to apply for Excess Rights Shares.

The Rights Issue is not offered through the selling efforts of any broker or dealer. The Company has decided to undertake the Rights Issue on a non-underwritten basis in view of the Undertakings provided by the Undertaking Shareholders and the savings in costs by the Company as no

underwriting fees are payable. Please refer to paragraph 1(f) in the section titled "Sixteenth Schedule of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 – Part X – Additional Information Required for Offer of Securities by way of Rights Issue" of this Offer Information Statement for information on the Undertakings.

Foreign Shareholders

As there may be prohibitions or restrictions against the offering of Rights Shares in certain jurisdictions, only Entitled Shareholders are eligible to participate in the Rights Issue. Please refer to the section titled "Eligibility of Shareholders to Participate in the Rights Issue" of this Offer Information Statement for more details.

Terms and Conditions

The allotment and issuance of the Rights Shares pursuant to the Rights Issue are governed by the terms and conditions as set out in this Offer Information Statement, in particular, in Appendices I to III to this Offer Information Statement and in the ARE, the ARS and the PAL.

7. Provide a summary of the features of the underwriting relationship together with the amount of securities being underwritten by each underwriter.

Not applicable. The Rights Issue is not underwritten.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

PART VII – ADDITIONAL INFORMATION

Statements by Experts

1. Where a statement or report attributed to a person as an expert is included in the offer information statement, provide such person's name, address and qualifications.

Not applicable. No statement or report made by an expert is included in this Offer Information Statement.

2. Where the offer information statement contains any statement (including what purports to be a copy of, or extract from, a report, memorandum or valuation) made by an expert –

(a) state the date on which the statement was made;

(b) state whether or not it was prepared by the expert for the purpose of incorporation in the offer information statement; and

(c) include a statement that the expert has given, and has not withdrawn, his written consent to the issue of the offer information statement with the inclusion of the statement in the form and context in which it is included in the offer information statement.

Not applicable. No statement (including what purports to be a copy of, or extract from, a report, memorandum or valuation) made by an expert is included in this Offer Information Statement.

3. The information referred to in paragraphs 1 and 2 of this Part need not be provided in the offer information statement if the statement attributed to the expert is a statement to which the exemption under regulation 26(2) or (3) applies.

Not applicable. No statement or report made by an expert is included in this Offer Information Statement.

Consents from Issue Managers and Underwriters

4. Where a person is named in the offer information statement as the issue manager or underwriter (but not a sub-underwriter) to the offer, include a statement that the person has given, and has not withdrawn, his written consent to being named in the offer information statement as the issue manager or underwriter, as the case may be, to the offer.

Not applicable. No issue manager or underwriter has been appointed in relation to the Rights Issue.

Other Matters

5. Include particulars of any other matters not disclosed under any other paragraph of this Schedule which could materially affect, directly or indirectly –

(a) the relevant entity's business operations or financial position or results; or

(b) investments by holders of securities in the relevant entity.

Save as disclosed in this Offer Information Statement, the Directors are not aware of any other matters not disclosed under any paragraph of this Offer Information Statement which could materially affect, directly or indirectly, the Company's business operations or financial position or results, or investments by holders of securities in the Company.

PART VIII – ADDITIONAL INFORMATION REQUIRED FOR OFFER OF DEBENTURES OR UNITS OF DEBENTURES

Not applicable.

PART IX – ADDITIONAL INFORMATION REQUIRED FOR CONVERTIBLE DEBENTURES

Not applicable.

SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

PART X – ADDITIONAL INFORMATION REQUIRED FOR OFFER OF SECURITIES BY WAY OF RIGHTS ISSUE

1. Provide –

(a) the particulars of the rights issue;

Please refer to the section titled "Summary of the Rights Issue" of this Offer Information Statement for the particulars of the Rights Issue.

(b) the last day and time for splitting of the provisional allotment of the securities to be issued pursuant to the rights issue;

8 July 2016 at 5.00 p.m. (or such other date and/or time as may be announced from time to time by or on behalf of the Company on SGXNET).

Please refer to the section titled "Indicative Timetable of Key Events" of this Offer Information Statement for more details.

(c) the last day and time for acceptance of and payment for the securities to be issued pursuant to the rights issue;

14 July 2016 at 5.00 p.m. (or 9.30 p.m. for Electronic Applications) (or such other date and/or time as may be announced from time to time by or on behalf of the Company on SGXNET).

Please refer to the section titled "Indicative Timetable of Key Events" of this Offer Information Statement for more details.

(d) the last day and time for renunciation of and payment by the renouncee for the securities to be issued pursuant to the rights issue;

14 July 2016 at 5.00 p.m. (or such other date and/or time as may be announced from time to time by or on behalf of the Company on SGXNET).

Entitled Depositors who wish to renounce their provisional allotments of Rights Shares in favour of a third party should note that CDP requires three Market Days to effect such renunciation. As such, Entitled Depositors who wish to renounce their provisional allotments of Rights Shares are advised to do so early to allow sufficient time for the renouncee to accept his provisional allotment of Rights Shares.

Please refer to the section titled "Indicative Timetable of Key Events" of this Offer Information Statement for more details.

(e) the terms and conditions of the offer of securities to be issued pursuant to the rights issue;

The allotment and issue of the Rights Shares pursuant to the Rights Issue are governed by the terms and conditions as set out in this Offer Information Statement, in particular, in Appendices I to III to this Offer Information Statement and in the ARE, the ARS and the PAL.

(f) the particulars of any undertaking from the substantial shareholders or substantial equity interest-holders, as the case may be, of the relevant entity to subscribe for their entitlements; and

To demonstrate support for the Company and the Rights Issue:

(a) Mr. Eddy Lee Yip Hang, the Chief Executive Officer and a Substantial Shareholder of the Company, who directly holds 175,400,020 Shares representing approximately 28.54% of the Existing Issued Share Capital, has provided an Undertaking to the Company pursuant to which he will (i) accept, subscribe and pay in full for such number of Rights Shares equal to his *pro rata* entitlement under the Rights Issue; and (ii) subscribe and pay in full for the Excess Rights Shares which are not validly subscribed for by other Shareholders, provided that the number of Excess Rights Shares to be subscribed for by Mr. Eddy Lee Yip Hang shall not exceed 4,000,000 Rights Shares.

Mr. Lee has also agreed in his Undertaking that, depending on the level of subscription for Rights Shares under the Rights Issue, the Company shall, if necessary, scale down his subscription of Rights Shares (including, for the avoidance of doubt, Excess Rights Shares) and/or the subscription of Rights Shares (including, for the avoidance of doubt, Excess Rights Shares) by parties acting in concert with him, to avoid placing himself and/or parties acting in concert with him in the position of incurring an obligation to make a mandatory general offer under the Code;

(b) Mr. Tan See Tee, who holds (directly and/or through his nominees) 26,228,170 Shares representing approximately 4.27% of the Existing Issued Share Capital, has provided an Undertaking to the Company pursuant to which he will (i) accept, subscribe and pay in full for such number of Rights Shares equal to his *pro rata* entitlement under the Rights Issue; and (ii) subscribe and pay in full for the Excess Rights Shares which are not validly subscribed for by other Shareholders, provided that the number of Excess Rights Shares to be subscribed for by Mr. Tan See Tee shall not exceed 10,305,158 Rights Shares; and

(c) Mr. Jaspal Singh Narulla, a Substantial Shareholder of the Company, who directly holds 39,600,000 Shares and indirectly holds an aggregate of 15,750,000 Shares through the JN Entities[3], amounting to an aggregate of 55,350,000 Shares representing in aggregate approximately 9.01% of the Existing Issued Share Capital, has provided an Undertaking to the Company pursuant to which he will (i) accept, subscribe and pay in full for such number of Rights Shares equal to his *pro rata* entitlement under the Rights Issue; and (ii) procure that the JN Entities accept, subscribe and pay in full for their respective *pro rata* entitlements under the Rights Issue.

Each of the JN Entities has also undertaken to the Company, in the same Undertaking described in paragraph (c) above, that they will accept, subscribe and pay in full for their respective *pro rata* entitlements under the Rights Issue.

3 Mr. Jaspal Singh Narulla holds directly 60.0% of the total issued and paid-up share capital of Wetwaters 8 (which directly holds 11,250,000 Shares), 60.0% of the total issued and paid-up share capital of JN Family Investments (which directly holds 3,000,000 Shares) and 50.0% of the total issued share and paid-up share capital of Narulla One (which directly holds 1,500,000 Shares).

No commission or fee will be payable by the Company to the Undertaking Shareholders or the JN Entities in consideration of the Undertakings.

On the assumption that the Rights Issue is fully subscribed, that is, all the Entitled Shareholders subscribe and pay for their *pro rata* entitlements of Rights Shares in full, Mr. Eddy Lee Yip Hang, Mr. Tan See Tee and Mr. Jaspal Singh Narulla will have an interest, whether directly (and/or through their nominees) or indirectly (as the case may be), in approximately 28.54%, 4.27% and 9.01% of the enlarged share capital of the Company respectively.

On the assumption that all of the Undertaking Shareholders fulfil their obligations under their respective Undertakings and none of the other Entitled Shareholders subscribes and pays for their *pro rata* entitlements of Rights Shares, Mr. Eddy Lee Yip Hang, Mr. Tan See Tee and Mr. Jaspal Singh Narulla will have an interest, whether directly (and/or through their nominees) or indirectly (as the case may be), in approximately 29.16%, 5.88% and 9.01% of the enlarged share capital of the Company respectively.

The Undertakings are conditional upon the following:

(a) the receipt of the listing and quotation notice of the SGX-ST (acting as agent on behalf of the Authority) for the dealing in, listing of and quotation for the Rights Shares under the Rights Issue on Catalist not having been withdrawn; and

(b) the lodgement of the Offer Information Statement, together with all other accompanying documents, in respect of the Rights Issue with the SGX-ST (acting as agent on behalf of the Authority).

(g) if the rights issue is or will not be underwritten, the reason for not underwriting the issue.

The Company has decided to undertake the Rights Issue on a non-underwritten basis in view of the Undertakings provided by the Undertaking Shareholders and the savings in costs by the Company as no underwriting fees are payable.

Please refer to paragraph 1(f) of this part above for information on the Undertakings.

1. Provide a review of the working capital for the last three financial years and the latest half year, if applicable.

The working capital of the Group as at 30 June 2013, 30 June 2014, 30 June 2015 and 31 December 2015 are set out below.

	As at 30 June 2013 (S$'000)	As at 30 June 2014 (S$'000)	As at 30 June 2015 (S$'000)	As at 31 December 2015 (S$'000)
Total Current Assets	8,709	13,299	10,935	34,530
Total Current Liabilities	607	3,733	4,104	3,769
Net Working Capital	8,102	9,566	6,831	30,761

A review of the working capital of the Group as at at 30 June 2013, 30 June 2014, 30 June 2015 and 31 December 2015 is set out below.

Working Capital

31 December 2015 compared with 30 June 2015

The Group's total current assets increased from S$10.94 million as at 30 June 2015 to S$34.53 million as at 31 December 2015 mainly due to the increase in cash and cash equivalents generated from the gross proceeds of S$30.13 million from the issuance of 65,500,000 Shares pursuant to the Initial Public Offering, which was partially offset by professional fees and related expenses incurred in connection with the Initial Public Offering of S$2.52 million and spending on research and development activities in the specialty pharmaceutical business.

The Group's total current liabilities decreased from S$4.10 million as at 30 June 2015 to S$3.77 million as at 31 December 2015 mainly due to the absence of one-off expenses relating to the Initial Public Offering.

30 June 2015 compared with 30 June 2014

The Group's total current assets decreased from S$13.30 million as at 30 June 2014 to S$10.94 million as at 30 June 2015 mainly due to the decrease in cash and cash equivalents attributed to the spending on research and development activities in the specialty pharmaceutical business.

The Group's total current liabilities increased from S$3.73 million as at 30 June 2014 to S$4.10 million as at 30 June 2015 mainly due to accruals for one-off expenses relating to the Initial Public Offering in trade and other payables, which was partially offset by the repayment of loans granted by shareholders and related parties of the Group of S$0.96 million.

30 June 2014 compared with 30 June 2013

The Group's total current assets increased from S$8.71 million as at 30 June 2013 to S$13.30 million as at 30 June 2014 mainly due to the assets acquired in connection with the acquisition of Syrinx and CAPL in May 2014.

The Group's total current liabilities increased from S$0.61 million as at 30 June 2013 to S$3.73 million as at 30 June 2014 mainly due to the liabilities acquired in connection with the acquisition of Syrinx and CAPL in May 2014.

2. Convertible Securities

(i) Where the rights issue or bought deal involves an issue of convertible securities, such as company warrants or convertible debt, the information in Rule 832 of the Catalist Rules.

(ii) Where the rights issue or bought deal is underwritten and the exercise or conversion price is based on a price fixing formula, to state that the exercise or conversion price must be fixed and announced before trading of nil-paid rights commences.

Not applicable. The Rights Issue does not involve an issue of convertible securities.

3. A statement by the Manager and the Sponsor that, to the best of its knowledge and belief, the document constitutes full and true disclosure of all material facts about the issue, the issuer and its subsidiaries, and that the Manager and the Sponsor are not aware of any facts the omission of which would make any statement in the document misleading; and where the document contains a profit forecast, that is satisfied that the profit forecast has been stated by the directors after reasonable enquiry.

The Sponsor confirms that, to the best of its knowledge and belief, this Offer Information Statement constitutes full and true disclosure of all material facts relating to the Rights Issue, the Company and its subsidiaries, and that the Sponsor is not aware of any facts the omission of which would make any statement contained in this Offer Information Statement misleading.

No profit forecast is contained in this Offer Information Statement.

APPENDIX I – PROCEDURES FOR ACCEPTANCE, PAYMENT AND EXCESS APPLICATION BY ENTITLED DEPOSITORS

1. INTRODUCTION

1.1. Entitled Depositors are entitled to receive this Offer Information Statement and the ARE which forms part of this Offer Information Statement. For the purposes of this Offer Information Statement, any reference to an application by way of an Electronic Application without reference to such an Electronic Application being made through an ATM shall, where the Entitled Depositor is a Depository Agent, be taken to include an application made via the SGX-SSH Service.

1.2. The provisional allotments of Rights Shares are governed by the terms and conditions of this Offer Information Statement, (if applicable) the Constitution of the Company and the instructions contained in the ARE.

The number of Rights Shares provisionally allotted to each Entitled Depositor is indicated in the ARE (fractional entitlements (if any) having been disregarded). The Securities Accounts of Entitled Depositors have been credited by CDP with the provisional allotments of Rights Shares as indicated in the ARE. Entitled Depositors may accept their provisional allotments of Rights Shares in full or in part and are eligible to apply for Rights Shares in excess of their provisional allotments under the Rights Issue. Full instructions for the acceptance of and payment for the provisional allotments of Rights Shares and payment for the Excess Rights Shares are set out in this Offer Information Statement as well as the ARE.

1.3. If an Entitled Depositor wishes to accept his provisional allotment of Rights Shares specified in the ARE, in full or in part, and (if applicable) apply for Excess Rights Shares, he may do so by way of an Electronic Application or by completing and signing the relevant sections of the ARE. An Entitled Depositor should ensure that the ARE is accurately completed and signed, failing which the acceptance of the provisional allotment of Rights Shares and (if applicable) application for Excess Rights Shares may be rejected.

For and on behalf of the Company, CDP reserves the right to refuse to accept any acceptance(s) and (if applicable) application(s) for Excess Rights Shares if the ARE is not accurately completed and signed or if the "Free Balance" of your Securities Account is not credited with, or is credited with less than the relevant number of Rights Shares accepted as at the last time and date for acceptance, application and payment or for any other reason(s) whatsoever the acceptance and (if applicable) the application for Excess Rights Shares is in breach of the terms of the ARE or the Offer Information Statement, at CDP's absolute discretion, and to return all monies received to the person(s) entitled thereto **BY CREDITING HIS/THEIR BANK ACCOUNT(S) WITH THE RELEVANT PARTICIPATING BANK** (if he/they accept and (if applicable) apply through an ATM of a Participating Bank) or **BY MEANS OF A CROSSED CHEQUE SENT BY ORDINARY POST**, as the case may be, (in each case) **AT HIS/THEIR OWN RISK** or in such other manner as he/they may have agreed with CDP for the payment of any cash distributions without interest or any share of revenue or other benefit arising therefrom (if he/they accept and (if applicable) apply through CDP).

AN ENTITLED DEPOSITOR MAY ACCEPT HIS PROVISIONAL ALLOTMENT OF RIGHTS SHARES SPECIFIED IN HIS ARE AND (IF APPLICABLE) APPLY FOR EXCESS RIGHTS SHARES EITHER THROUGH CDP AND/OR BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK. WHERE AN ENTITLED DEPOSITOR IS A DEPOSITORY AGENT, IT MAY MAKE ITS ACCEPTANCE AND (IF APPLICABLE) APPLICATION FOR EXCESS RIGHTS SHARES VIA THE SGX-SSH SERVICE.

Where an acceptance, application and/or payment does not conform strictly to the terms set out under this Offer Information Statement, the ARE, the ARS, the PAL and/or any other application form for the Rights Shares and/or Excess Rights Shares in relation to the Rights Issue or which does not comply with the instructions for an Electronic Application, or in the case of an application by the ARE, the ARS, the PAL and/or any other application form for the Rights Shares and/or Excess Rights Shares in relation to the Rights Issue which is illegible, incomplete, incorrectly completed, unsigned, signed but not in its originality or which is accompanied by an improperly or

insufficiently drawn remittance, the Company and/or CDP may, at their/its absolute discretion, reject or treat as invalid any such acceptance, application, payment and/or other process of remittances at any time after receipt in such manner as they/it may deem fit.

The Company and CDP shall be entitled to process each application submitted for the acceptance of the provisional allotment of Rights Shares, and where applicable, application for Excess Rights Shares in relation to the Rights Issue and the payment received in relation thereto, pursuant to such application, by an Entitled Shareholder, on its own, without regard to any other application and payment that may be submitted by the same Entitled Shareholder. For the avoidance of doubt, insufficient payment for an application may render the application invalid; evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application and (if applicable) application for Excess Rights Shares.

1.4. Unless expressly provided to the contrary in this Offer Information Statement, the ARE and/or the ARS with respect to enforcement against Entitled Depositors or their renouncees, a person who is not a party to any contracts made pursuant to this Offer Information Statement, the ARE or the ARS has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

2. MODE OF ACCEPTANCE AND APPLICATION

2.1. Acceptance/Application by way of Electronic Application through an ATM of a Participating Bank

Instructions for Electronic Applications through ATMs to accept the Rights Shares provisionally allotted or (if applicable) to apply for Excess Rights Shares will appear on the ATM screens of the respective Participating Banks. Please refer to Appendix II to this Offer Information Statement for the additional terms and conditions for Electronic Applications through an ATM of a Participating Bank.

IF AN ENTITLED DEPOSITOR MAKES AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK, HE WOULD HAVE IRREVOCABLY AUTHORISED THE PARTICIPATING BANK TO DEDUCT THE FULL AMOUNT PAYABLE FROM HIS BANK ACCOUNT WITH SUCH PARTICIPATING BANK IN RESPECT OF SUCH APPLICATION. IN THE CASE OF AN ENTITLED DEPOSITOR WHO HAS ACCEPTED THE RIGHTS SHARES PROVISIONALLY ALLOTED TO HIM BY WAY OF THE ARE AND/OR THE ARS AND/OR HAS APPLIED FOR EXCESS RIGHTS SHARES BY WAY OF THE ARE AND ALSO BY WAY OF AN ELECTRONIC APPLICATION THROUGH AN ATM OF A PARTICIPATING BANK, THE COMPANY AND/OR CDP SHALL BE AUTHORISED AND ENTITLED TO ACCEPT HIS INSTRUCTIONS IN WHICHEVER MODE OR COMBINATION AS THE COMPANY AND/OR CDP MAY, IN THEIR ABSOLUTE DISCRETION, DEEM FIT.

2.2. Acceptance/Application through CDP

If the Entitled Depositor wishes to accept the provisional allotment of Rights Shares and (if applicable) apply for Excess Rights Shares through CDP, he must:

(a) complete and sign the ARE. In particular, he must state in Part C(i) of the ARE the total number of Rights Shares provisionally allotted to him which he wishes to accept, and the number of Excess Rights Shares applied for and in Part C(ii) of the ARE the 6 digits of the Cashier's Order/Banker's Draft; and

(b) deliver the duly completed and original signed ARE accompanied by **A SINGLE REMITTANCE** for the full amount payable for the relevant number of Rights Shares accepted and (if applicable) excess Rights Shares applied for:

(i) by hand to **IX BIOPHARMA LTD. C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS TOWER 2, SINGAPORE 138588**; or

(ii) by post, **AT THE SENDER'S OWN RISK,** in the self-addressed envelope provided, to **IX BIOPHARMA LTD. C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147,**

in each case so as to arrive not later than **5.00 P.M. ON 14 JULY 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The payment for the relevant number of Rights Shares accepted and (if applicable) Excess Rights Shares applied for at the Issue Price must be made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to **"CDP – IX BIOPHARMA RIGHTS ISSUE ACCOUNT"** and crossed **"NOT NEGOTIABLE, A/C PAYEE ONLY"** with the name and Securities Account number of the Entitled Depositor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft.

NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS OR OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.

2.3. Acceptance through the SGX-SSH Service (for Depository Agents only)

Depository Agents may accept the provisional allotment of Rights Shares and (if applicable) apply for excess Rights Shares through the SGX-SSH service provided by CDP as listed in Schedule 3 of the Terms and Conditions for User Services for Depository Agents. CDP has been authorised by the Company to receive acceptances on its behalf. Such acceptances and (if applicable) applications will be deemed irrevocable and are subject to each of the terms and conditions contained in the ARE and this Offer Information Statement as if the ARE had been completed and submitted to CDP.

2.4. Insufficient Payment

If no remittance is attached or the remittance attached is less than the full amount payable for the provisional allotment of Rights Shares accepted by the Entitled Depositor and (if applicable) the Excess Rights Shares applied for by the Entitled Depositor, the attention of the Entitled Depositor is drawn to paragraphs 1.3 and 5.2 of this Appendix I which set out the circumstances and manner in which the Company and CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Company's behalf whether under the ARE, the ARS or any other application form for Rights Shares in relation to the Rights Issue.

2.5. Acceptance of Part of Provisional Allotments of Rights Shares and Trading of Provisional Allotments of Rights Shares

An Entitled Depositor may choose to accept his provisional allotment of Rights Shares specified in the ARE in full or in part. If an Entitled Depositor wishes to accept part of his provisional allotment of Rights Shares and trade the balance of his provisional allotment of Rights Shares on the SGX-ST, he should:

(i) complete and sign the ARE for the number of Rights Shares provisionally allotted which he wishes to accept and submit the duly completed and original signed ARE together with payment in the prescribed manner as described in paragraph 2.2 above to CDP; or

(ii) accept and subscribe for that part of his provisional allotment of Rights Shares by way of Electronic Application(s) in the prescribed manner as described in paragraph 2.1 or 2.3 above.

The balance of his provisional allotment of Rights Shares may be sold as soon as dealings therein commence on the SGX-ST.

Entitled Depositors who wish to trade all or part of their provisional allotments of Rights Shares on the SGX-ST during the provisional allotment trading period should note that the provisional allotments of Rights Shares will be tradable in board lots, each board lot comprising provisional allotments of 100 Rights Shares, or any other board lot size which the SGX-ST may require. Such Entitled Depositors may start trading in their provisional allotments of Rights Shares as soon as dealings therein commence on the SGX-ST. Entitled Depositors who wish to trade in lot sizes other than mentioned above may do so in the Unit Share Market of the SGX-ST during the provisional allotment trading period.

2.6. Sale of Provisional Allotments of Rights Shares

The ARE need not be forwarded to the purchasers of the provisional allotments of Rights Shares ("**Purchasers**") as arrangements will be made by CDP for separate ARS to be issued to the Purchasers. Purchasers should note that CDP will, for and on behalf of the Company, send the ARS, accompanied by this Offer Information Statement and other accompanying documents, **BY ORDINARY POST AND AT THE PURCHASERS' OWN RISK**, to their respective Singapore addresses as maintained in the records of CDP. Purchasers should ensure that their ARS are accurately completed and signed, failing which their acceptances of the provisional allotments of Rights Shares may be rejected. Purchasers who do not receive the ARS accompanied by this Offer Information Statement and other accompanying documents may obtain the same from CDP or the Share Registrar for the period up to **5.00 P.M. ON 14 JULY 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). Purchasers should also note that if they make any purchase on or around the last trading day of the "nil-paid" Rights, this Offer Information Statement and its accompanying documents might not be despatched in time for the subscription of the Rights Shares. Purchasers may obtain a copy from The Central Depository (Pte) Limited. Alternatively, Purchasers may accept and subscribe by way of Electronic Applications in the prescribed manner as described in paragraph 2.1 above.

This Offer Information Statement and its accompanying documents will not be despatched to Purchasers whose registered addresses with CDP are not in Singapore ("**Foreign Purchasers**"). Foreign Purchasers who wish to accept the provisional allotments of Rights Shares credited to their Securities Accounts should make the necessary arrangements with their Depository Agents or stockbrokers in Singapore.

PURCHASERS SHOULD INFORM THEIR FINANCE COMPANIES OR DEPOSITORY AGENTS IF THEIR PURCHASES OF SUCH PROVISIONAL ALLOTMENTS OF RIGHTS SHARES ARE SETTLED THROUGH THESE INTERMEDIARIES. IN SUCH INSTANCES, IF THE PURCHASERS WISH TO ACCEPT THE RIGHTS SHARES REPRESENTED BY THE PROVISIONAL ALLOTMENTS OF RIGHTS SHARES PURCHASED, THEY WILL NEED TO GO THROUGH THESE INTERMEDIARIES, WHO WILL THEN ACCEPT THE PROVISIONAL ALLOTMENTS OF RIGHTS SHARES ON THEIR BEHALF.

2.7. Renunciation of Provisional Allotments of Rights Shares

Entitled Depositors who wish to renounce in full or in part their provisional allotments of Rights Shares in favour of a third party should complete the relevant transfer forms with CDP (including any accompanying documents as may be required by CDP) for the number of provisional allotments of Rights Shares which they wish to renounce. Such renunciation shall be made in accordance with the "Terms and Conditions for Operations of Securities Accounts with CDP", as the same may be amended from time to time, copies of which are available from CDP. As CDP requires at least three Market Days to effect such renunciation, Entitled Depositors who wish to

renounce are advised to do so early to allow sufficient time for CDP to send the ARS and other accompanying documents, for and on behalf of the Company, to the renounce by ordinary post and **AT HIS OWN RISK**, to his Singapore address as maintained in the records of CDP and for the renouncee to accept his provisional allotments of Rights Shares. The last time and date for acceptance of the provisional allotments of Rights Shares and payment for the Rights Shares by the renouncee is **5.00 P.M. ON 14 JULY 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

3. COMBINATION APPLICATION

In the event that the Entitled Depositor or the Purchaser accepts his provisional allotments of Rights Shares by way of the ARE and/or the ARS and/or has applied for Excess Rights Shares by way of the ARE and also by way of Electronic Application(s), the Company and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Entitled Depositor or the Purchaser shall be regarded as having irrevocably authorised the Company and/or CDP to apply all amounts received whether under the ARE, the ARS and (if applicable) any other acceptance of Rights Shares provisionally allotted to him and/or application for Excess Rights Shares (including Electronic Application(s)) in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit.

4. ILLUSTRATIVE EXAMPLES

As an illustration, if an Entitled Depositor has 10,000 Shares standing to the credit of his Securities Account as at the Books Closure Date, the Entitled Depositor will be provisionally allotted 400 Rights Shares as set out in his ARE. The Entitled Depositor's alternative courses of action, and the necessary procedures to be taken under each course of action, are summarised below:

Alternatives	**Procedures to be taken**
(a) Accept his entire provisional allotment of 400 Rights Shares and (if applicable) apply for Excess Rights Shares	(1) Accept his entire provisional allotment of 400 Rights Shares and (if applicable) apply for Excess Rights Shares by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 P.M. ON 14 JULY 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or (2) Complete and sign the ARE in accordance with the instructions contained herein for the acceptance in full of his provisional allotment of 400 Rights Shares and (if applicable) the number of Excess Rights Shares applied for and forward the original signed ARE together with a single remittance for S$84.00 (or, if applicable, such higher amount in respect of the total number of Rights Shares accepted and Excess Rights Shares applied for) by way of a Cashier's Order or Banker's Draft drawn in Singapore currency on a bank in Singapore and made payable to **"CDP – IX BIOPHARMA RIGHTS ISSUE ACCOUNT"** and crossed **"NOT NEGOTIABLE, A/C PAYEE ONLY"** for the full amount due on acceptance and (if applicable) application, by hand to **IX BIOPHARMA LTD. C/O THE CENTRAL**

DEPOSITORY (PTE) LIMITED, at 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS TOWER 2, SINGAPORE 138588 or by post, at his own risk, in the self-addressed envelope provided to **IX BIOPHARMA LTD. C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147** so as to arrive not later than **5.00 P.M. ON 14 JULY 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) and with the name and Securities Account number of the Entitled Depositor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft. **NO COMBINED CASHIER'S ORDER OR BANKER'S DRAFT FOR DIFFERENT SECURITIES ACCOUNTS OR OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**

(b) Accept a portion of his provisional allotment of Rights Shares, for example 300 provisionally allotted Rights Shares, not apply for Excess Rights Shares and trade the balance on Catalist

(1) Accept his provisional allotment of 300 Rights Shares by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 P.M. ON 14 JULY 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or

(2) Complete and sign the ARE in accordance with the instructions contained therein for the acceptance of his provisional allotment of 300 Rights Shares, and forward the original signed ARE, together with a single remittance for S$63.00 in the prescribed manner described in alternative (a)(2) above to CDP, so as to arrive not later than **5.00 P.M. ON 14 JULY 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The balance of the provisional allotment of 100 Rights Shares which is not accepted by the Entitled Depositor may be traded on Catalist during the provisional allotment trading period. Entitled Depositors should note that the provisional allotments of Rights Shares would be tradable in the ready market, each board lot comprising provisional allotments size of 100 Rights Shares or any other board lot size which the SGX-ST may require.

(c) Accept a portion of his provisional allotment of Rights Shares, for example 300 provisionally allotted Rights Shares, and reject the balance

(i) Accept his provisional allotment of 300 Rights Shares by way of an Electronic Application through an ATM of a Participating Bank as described herein not later than **9.30 P.M. ON 14 JULY 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or

(ii) Complete and sign the ARE in accordance with the instructions contained herein for the acceptance of his provisional allotment of 300 Rights Shares and forward the original signed ARE, together with a single remittance for S$63.00 in the prescribed manner described in alternative (a)(2) above to CDP so as to arrive not later than **5.00 P.M. ON 14 JULY 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

The balance of the provisional allotment of 100 Rights Shares which is not accepted by the Entitled Depositor will automatically lapse and cease to be available for acceptance by that Entitled Depositor if an acceptance is not made through an ATM of a Participating Bank by **9.30 P.M. ON 14 JULY 2016** or if an acceptance is not made through CDP by **5.00 P.M. ON 14 JULY 2016**.

5. TIMING AND OTHER IMPORTANT INFORMATION

5.1. Timing

THE LAST TIME AND DATE FOR ACCEPTANCES AND (IF APPLICABLE) APPLICATIONS FOR EXCESS RIGHTS SHARES AND PAYMENT FOR THE RIGHTS SHARES IN RELATION TO THE RIGHTS ISSUE IS:

(A) 9.30 P.M. ON 14 JULY 2016 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY) IF ACCEPTANCE AND (IF APPLICABLE) APPLICATION FOR EXCESS RIGHTS SHARES AND PAYMENT FOR THE RIGHTS SHARES IS MADE THROUGH AN ATM OF A PARTICIPATING BANK; OR

(B) 5.00 P.M. ON 14 JULY 2016 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY) IF ACCEPTANCE AND (IF APPLICABLE) APPLICATION FOR EXCESS RIGHTS SHARES AND PAYMENT FOR THE RIGHTS SHARES IS MADE THROUGH CDP OR SGX-SSH SERVICE.

If acceptance and payment for the Rights Shares in the prescribed manner as set out in the ARE, the ARS or the PAL (as the case may be) and this Offer Information Statement is not received through an ATM of a Participating Bank by **9.30 P.M. ON 14 JULY 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) or through CDP by **5.00 P.M. ON 14 JULY 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company) from any Entitled Depositor or Purchaser, the provisional allotments of Rights Shares shall be deemed to have been declined and shall forthwith lapse and become void, and such provisional allotments not so accepted will be used to satisfy

applications for Excess Rights Shares, if any, or otherwise dealt with in such manner as the Directors may, in their absolute discretion, deem fit. All monies received in connection therewith will be returned by CDP for and on behalf of the Company to the Entitled Depositors or the Purchasers, as the case may be, without interest or any share of revenue or other benefit arising therefrom, by ordinary post **AT THE ENTITLED DEPOSITORS' OR PURCHASERS' OWN RISK (AS THE CASE MAY BE)** to their mailing address as maintained in the records of CDP.

IF AN ENTITLED DEPOSITOR OR PURCHASER (AS THE CASE MAY BE) IS IN ANY DOUBT AS TO THE ACTION HE SHOULD TAKE, HE SHOULD CONSULT HIS STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

5.2. Appropriation

Without prejudice to paragraph 1.3 of this Appendix I, an Entitled Depositor should note that:

(a) by accepting his provisional allotment of Rights Shares and/or applying for Excess Rights Shares, he acknowledges that, in the case where the amount of remittance payable to the Company in respect of his acceptance of the Rights Shares provisionally allotted to him and (if applicable) in respect of his application for Excess Rights Shares as per the instructions received by CDP whether under the ARE, the ARS and/or in any other application form for Rights Shares in relation to the Rights Issue differs from the amount actually received by CDP, the Company and CDP shall be authorised and entitled to determine and appropriate all amounts received by CDP on the Company's behalf for each application on its own whether under the ARE, the ARS and/or any other application form for Rights Shares in relation to the Rights Issue as follows: firstly, towards payment of all amounts payable in respect of his acceptance of the Rights Shares provisionally allotted to him; and secondly, (if applicable) towards payment of all amounts payable in respect of his application for Excess Rights Shares. The determination and appropriation by the Company and CDP shall be conclusive and binding;

(b) if the Entitled Depositor has attached a remittance to the ARE, the ARS and/or any other application form for Rights Shares in relation to the Rights Issue made through CDP, he would have irrevocably authorised the Company and CDP, in applying the amounts payable for his acceptance of the Rights Shares and (if applicable) his application for Excess Rights Shares, to apply the amount of the remittance which is attached to the ARE, the ARS and/or any other application form for Rights Shares in relation to the Rights Issue made through CDP; and

(c) in the event that the Entitled Depositor accepts the Rights Shares provisionally allotted to him by way of the ARE and/or the ARS and/or has applied for Excess Rights Shares by way of the ARE and also by way of Electronic Application(s), the Company and/or CDP shall be authorised and entitled to accept his instructions in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit. Without prejudice to the generality of the foregoing, in such a case, the Entitled Depositor shall be deemed as having irrevocably authorised the Company and/or CDP to apply all amounts received whether under the ARE, the ARS and/or any other acceptance and/or application for Excess Rights Shares (including Electronic Application(s)) in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit.

5.3. Availability of Excess Rights Shares

The Excess Rights Shares available for application are subject to the terms and conditions contained in the ARE, this Offer Information Statement and (if applicable) the Constitution of the Company. Applications for Excess Rights Shares will, at the Directors' absolute discretion, be satisfied from such Rights Shares as are not validly taken up by the Entitled Shareholders, the original allottee(s) or their respective renouncee(s) or the Purchaser(s) of the provisional allotments of Rights Shares together with the aggregated fractional entitlements to the Rights Shares, any unsold "nil-paid" provisional allotment of Rights Shares (if any) of Foreign Shareholders and any

Rights Shares that are otherwise not allotted for whatever reason in accordance with the terms and conditions contained in the ARE and this Offer Information Statement. In the event that applications are received by the Company for more Excess Rights Shares than are available, the Excess Rights Shares available will be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. **CDP TAKES NO RESPONSIBILITY FOR ANY DECISION THAT THE DIRECTORS MAY MAKE**. In the allotment of any Excess Rights Shares, preference will be given to the rounding of odd lots, and Directors and Substantial Shareholders who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights Issue, or have representation (direct or through a nominee) on the board of Directors will rank last in priority for the rounding of odd lots and allotment of Excess Rights Shares. The Company reserves the right to refuse any application for Excess Rights Shares, in whole or in part, without assigning any reason whatsoever. In the event that the number of Excess Rights Shares allotted to an Entitled Depositor is less than the number of Excess Rights Shares applied for, the Entitled Depositor shall be deemed to have accepted the number of Excess Rights Shares actually allotted to him.

If no Excess Rights Shares are allotted or if the number of Excess Rights Shares allotted is less than that applied for, the amount paid on application or the surplus application monies, as the case may be, will be refunded to such Entitled Depositors without interest or any share of revenue or other benefit arising therefrom within three Business Days after the commencement of trading of the Rights Shares, by crediting their bank accounts with the relevant Participating Bank **AT THEIR OWN RISK** (if they had applied for Excess Rights Shares by way of an Electronic Application through an ATM of a Participating Bank), the receipt by such banks being a good discharge to the Company and CDP of their obligations, if any, thereunder, or by means of a crossed cheque in Singapore currency drawn on a bank in Singapore and sent **BY ORDINARY POST AT THEIR OWN RISK** to their mailing address as maintained in the records of CDP or in such other manner as they may have agreed with CDP for the payment of any cash distributions (if they had applied for Excess Rights Shares through CDP).

5.4. Deadlines

It should be particularly noted that unless:

(i) acceptance of the provisional allotment of Rights Shares is made by the Entitled Depositors or the Purchasers (as the case may be) by way of an Electronic Application through an ATM of a Participating Bank and payment of the full amount payable for such Rights Shares is effected by **9.30 P.M. ON 14 JULY 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or

(ii) the duly completed and original signed ARE or ARS accompanied by a single remittance for the full amount payable for the relevant number of Rights Shares accepted and (if applicable) Excess Rights Shares applied for at the Issue Price, made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to **"CDP – IX BIOPHARMA RIGHTS ISSUE ACCOUNT"** and crossed **"NOT NEGOTIABLE, A/C PAYEE ONLY"** with the names and Securities Account numbers of the Entitled Depositors or the Purchasers (as the case may be) clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft is submitted by hand to **IX BIOPHARMA LTD. C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, at 9 NORTH BUONA VISTA DRIVE, #01-19/20 THE METROPOLIS TOWER 2, SINGAPORE 138588** or by post in the self-addressed envelope provided, **AT THE SENDER'S OWN RISK**, to **IX BIOPHARMA LTD. C/O THE CENTRAL DEPOSITORY (PTE) LIMITED, ROBINSON ROAD POST OFFICE, P.O. BOX 1597, SINGAPORE 903147** by **5.00 P.M. ON 14 JULY 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company); or

(iii) acceptance is made by a Depository Agent via the SGX-SSH Service and payment in Singapore currency by way of telegraphic transfer by the Depository Agent(s) for the Rights Shares is effected by **5.00 P.M. ON 14 JULY 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company),

the provisional allotment of Rights Shares will be deemed to have been declined and shall forthwith lapse and become void and cease to be capable of acceptance.

All monies received in connection therewith will be returned to the Entitled Depositors or the Purchasers (as the case may be) without interest or any share of revenue or other benefit arising therefrom **BY ORDINARY POST** and at the **ENTITLED DEPOSITORS' OR PURCHASERS' OWN RISK (AS THE CASE MAY BE)** to their mailing addresses as maintained in the records of CDP.

ACCEPTANCES AND/OR APPLICATIONS ACCOMPANIED BY ANY OTHER FORMS OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL NOT BE ACCEPTED.

5.5. Certificates

The certificates for the Rights Shares and Excess Rights Shares will be registered in the name of CDP or its nominee. Upon the crediting of the Rights Shares and Excess Rights Shares, CDP will send to you, **BY ORDINARY POST AND AT YOUR OWN RISK**, a notification letter showing the number of Rights Shares and Excess Rights Shares credited to your Securities Account.

5.6. General

For reasons of confidentiality, CDP will not entertain telephone enquiries relating to the number of Rights Shares provisionally allotted and credited to your Securities Account. You can verify the number of Rights Shares provisionally allotted and credited to your Securities Account online if you have registered for CDP Internet Access or through the CDP Automated Phone Services Hotline number (65) 6535 7511 using your telephone pin (T-Pin). Alternatively, you may proceed personally to CDP with your identity card or passport to verify the number of Rights Shares provisionally allotted and credited to your Securities Account.

It is your responsibility to ensure that the ARE and/or ARS is accurately completed in all respects and signed. The Company and/or CDP will be authorised and entitled to reject any acceptance and/or application which does not comply with the terms and instructions contained herein and in the ARE and/or ARS, or which is otherwise incomplete, incorrect, unsigned, signed but not in its originality or invalid in any respect. Any decision to reject the ARE and/or ARS on the grounds that it has been signed but not in its originality, incompletely, incorrectly or invalidly signed, completed or submitted will be final and binding, and neither CDP nor the Company accepts any responsibility or liability for the consequences of such a decision.

EXCEPT AS SPECIFICALLY PROVIDED FOR IN THIS OFFER INFORMATION STATEMENT, ACCEPTANCE OF THE PROVISIONAL ALLOTMENT OF RIGHTS SHARES AND (IF APPLICABLE) YOUR APPLICATION FOR EXCESS RIGHTS SHARES IS IRREVOCABLE.

No acknowledgement will be given for any submissions sent by post, deposited into boxes located at CDP's premises or submitted by hand at CDP's counters. You can check the status of your acceptance of the provisional allotment of Rights Shares and (if applicable) your application for excess Rights Shares through the CDP Automated Phone Services Hotline number (65) 6535 7511 using your T-Pin.

CDP Phone User Guide

1. Dial (65) 6535 7511
2. Press '1' for English; Press '2' for Mandarin
3. Press '1' for all CDP account related queries
4. Press '3' for 'Corporate Actions Announcement and Transactions'
5. Press '2' for your rights application status
6. Enter your 12 digit CDP securities account number
7. Enter your 6 digit telephone pin

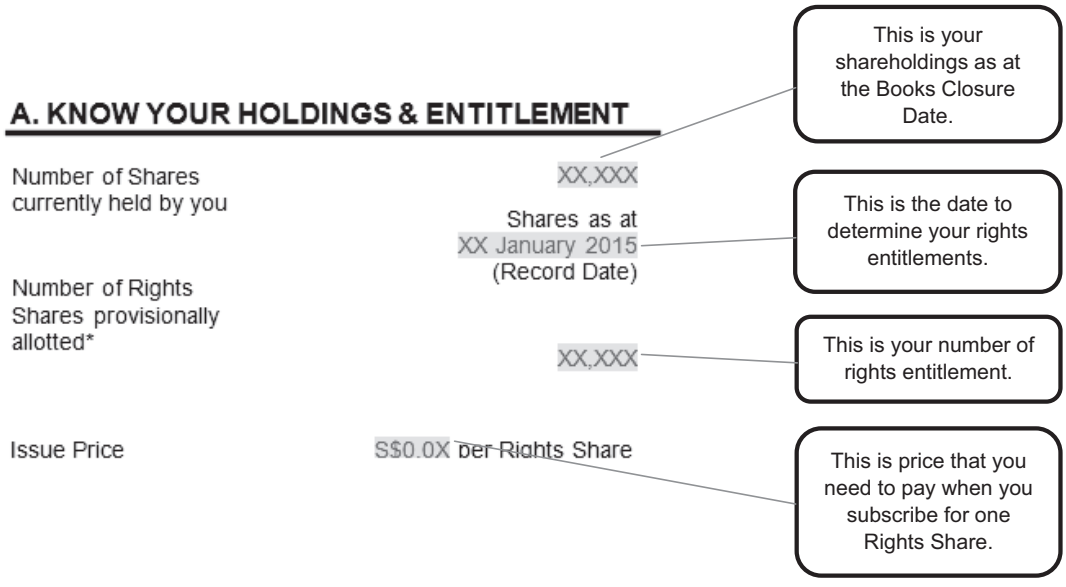
All communications, notices, documents and remittances to be delivered or sent to you will be sent by **ORDINARY POST** to your mailing address as maintained in the records of CDP, and **AT YOUR OWN RISK**.

6. PERSONAL DATA PRIVACY

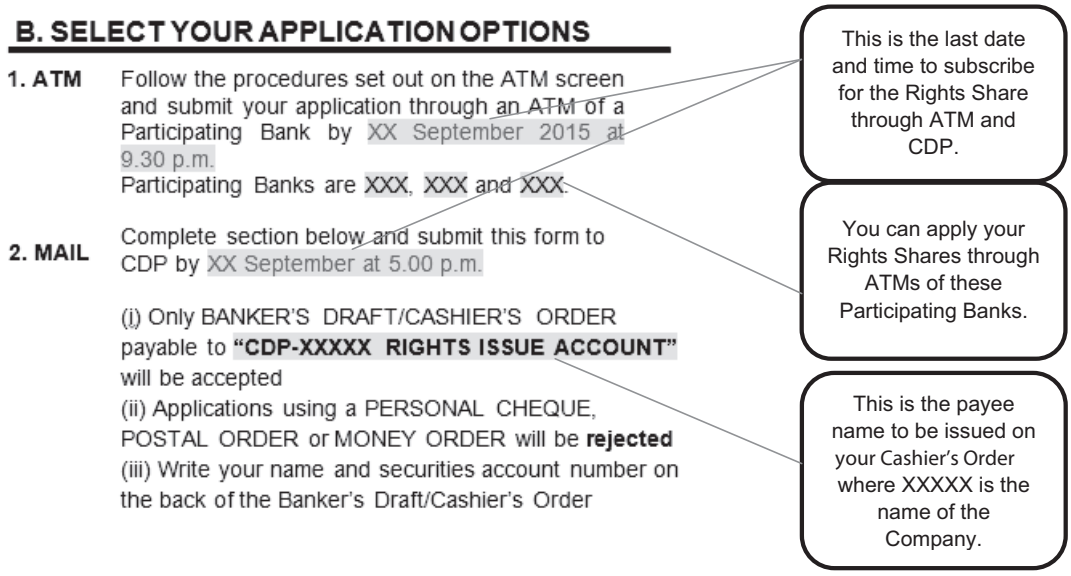
By completing and delivering an ARE or an ARS and in the case of an Electronic Application, by pressing the "Enter" or "OK" or "Confirm" or "Yes" key, an Entitled Depositor or a Purchaser (a) consents to the collection, use and disclosure of his personal data by the Participating Banks, the Share Registrar, Securities Clearing and Computer Services (Pte) Ltd, CDP, the SGX-ST and the Company (the "**Relevant Persons**") for the purpose of facilitating his application for the Rights Shares and (if applicable) the Excess Rights Shares, and in order for the Relevant Persons to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"); (b) warrants that where he discloses the personal data of another person, such disclosure is in compliance with applicable law; and (c) agrees that he will indemnify the Relevant Persons in respect of any penalties, liabilities, claims, demands, losses and damages as a result of his breach of warranty.

7. PROCEDURE TO COMPLETE THE ARE / ARS

7.1. Know your holdings and entitlement



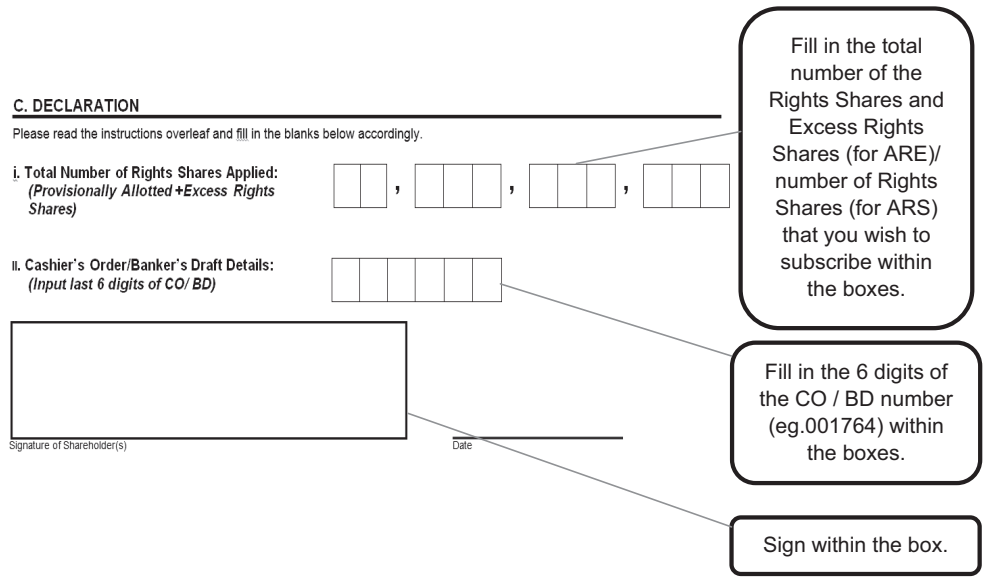
7.2. Select your application options



Note:

(1) Please refer to the ARE/ARS for the actual holdings, entitlements, Books Closure Date, Issue Price, Closing Date for subscription, list of participating ATM banks and payee name on the Cashier's Order.

7.3. Declaration



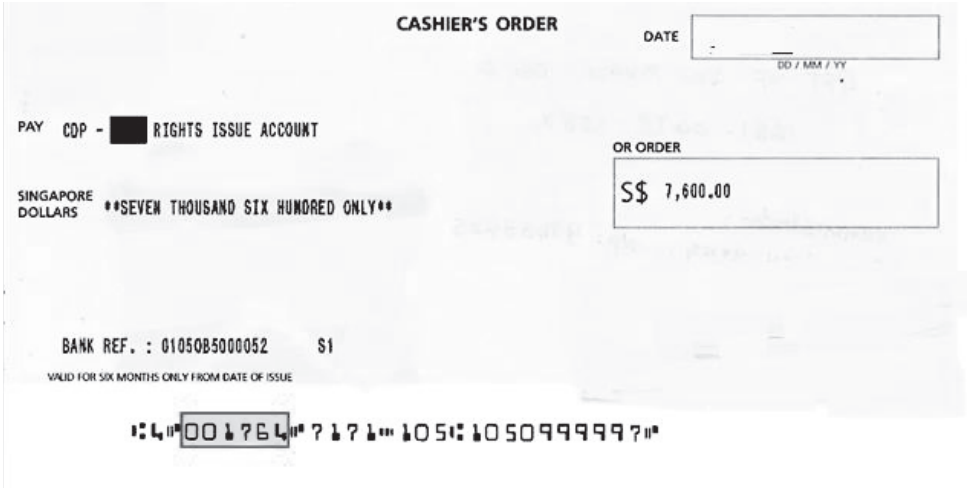
Notes:

(1) If the total number of Rights Shares applied for exceeds the provisional allotted holdings in your CDP Securities Account as at Closing Date, the remaining application will be put under excess and subjected to the excess allocation basis.

(2) The total number of Rights Shares applied for will be based on the cash amount stated in your Cashier's Order/Banker's Draft. The total number of Rights Shares will be appropriated accordingly if the applied quantity exceeds this amount.

(3) Please note to submit one Cashier's Order per application form.

7.4. Sample of a Cashier's Order



CASHIER'S ORDER

DATE

DD / MM / YY

PAY CDP - [redacted] RIGHTS ISSUE ACCOUNT

OR ORDER

SINGAPORE DOLLARS **SEVEN THOUSAND SIX HUNDRED ONLY**

S$ 7,600.00

BANK REF. : 0105085000052 S1

VALID FOR SIX MONTHS ONLY FROM DATE OF ISSUE

⑆4⑈001764⑈ ?171⑈ 105⑆ 10509999 97⑈

APPENDIX II – ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATION THROUGH ATMS OF PARTICIPATING BANKS

The procedures for Electronic Applications are set out on the ATM screens of the relevant Participating Banks (the "**Steps**"). Please read carefully the terms and conditions of this Offer Information Statement, the Steps and the terms and conditions for Electronic Applications set out below before making an Electronic Application. An ATM card issued by one Participating Bank cannot be used to accept provisional allotments of Rights Shares and (if applicable) apply for Excess Rights Shares at an ATM belonging to other Participating Banks. Any Electronic Application which does not strictly conform to the instructions set out on the screens of the ATM through which the Electronic Application is made will be rejected.

Any reference to the "**Applicant**" in the terms and conditions for Electronic Applications and the Steps shall mean the Entitled Depositor or his renouncee or the Purchaser who accepts the provisional allotments of Rights Shares and (if applicable) applies for Excess Rights Shares through an ATM of a Participating Bank. An Applicant must have an existing bank account with, and be an ATM cardholder of, one of the Participating Banks before he can make an Electronic Application at the ATM of that Participating Bank. The actions that the Applicant must take at ATMs of the Participating Banks are set out on the ATM screens of the relevant Participating Banks. Upon the completion of his Electronic Application transaction, the Applicant will receive an ATM transaction slip ("**Transaction Record**"), confirming the details of his Electronic Application. The Transaction Record is for retention by the Applicant and should not be submitted with any ARE and/or ARS.

An Applicant, including one who has a joint bank account with a Participating Bank, must ensure that he enters his own Securities Account number when using the ATM card issued to him in his own name. Using his own Securities Account number with an ATM card which is not issued to him in his own name will render his acceptance of Rights Shares or (as the case may be) application for Excess Rights Shares liable to be rejected.

An Applicant may accept his provisional allotment of Rights Shares and if applicable, may apply for Excess Rights Shares by way of separate Electronic Applications.

The Electronic Application shall be made in accordance with, and subject to, the terms and conditions of this Offer Information Statement including, but not limited to, the terms and conditions appearing below:

(1) In connection with his Electronic Application, the Applicant is required to confirm statements to the following effect in the course of activating the ATM for his Electronic Application:

(a) that he has received a copy of this Offer Information Statement and has read, understood and agreed to all the terms and conditions of acceptance of his provisional allotment of Rights Shares and (as the case may be) application for the Excess Rights Shares under the Rights Issue and this Offer Information Statement prior to effecting the Electronic Application and agrees to be bound by the same; and

(b) that he consents to the disclosure of his name, NRIC number/passport number, address, nationality, Securities Account number and application details (the "Relevant Particulars") from his account with that Participating Bank to the Share Registrar, Securities Clearing and Computer Services (Pte) Ltd, CDP, the SGX-ST and the Company (the "Relevant Parties").

His application will not be successfully completed and cannot be recorded as a completed transaction in the ATM unless he presses the "Enter" or "OK" or "Confirm" or "Yes" key, as the case may be. By doing so, the Applicant shall be treated as signifying his confirmation of each of the two statements above. In respect of statement 1(b) above, his confirmation, by pressing the "Enter" or "OK" or "Confirm" or "Yes" key, as the case may be, shall signify and shall be treated as his written permission, given in accordance with the relevant laws of Singapore including Section 47(2) and the Third Schedule of the Banking Act, Chapter 19 of Singapore, to the disclosure by that Participating Bank of the Relevant Particulars to the Relevant Parties.

(2) An Applicant may make an Electronic Application at an ATM of any Participating Bank for using cash only by authorising such Participating Bank to deduct the full amount payable from his bank account with such Participating Bank.

(3) The Applicant irrevocably agrees and undertakes to subscribe for and to accept up to the aggregate of the number of Rights Shares provisionally allotted and (if applicable) Excess Rights Shares applied for as stated on the Transaction Record or the number of Rights Shares standing to the credit of the "Free Balance" of his Securities Account as at the Closing Date. In the event that the Company decides to allot any lesser number of Excess Rights Shares or not to allot any number of Excess Rights Shares to the Applicant, the Applicant agrees to accept the decision as conclusive and binding.

(4) If the Applicant's Electronic Application is successful, his confirmation (by his action of pressing the "Enter" or "OK" or "Confirm" or "Yes" key, as the case may be, on the ATM) of the number of Rights Shares accepted and (if applicable) Excess Rights Shares applied for shall signify and shall be treated as his acceptance of the number of Rights Shares accepted and/or Excess Rights Shares applied for that may be allotted to him.

(5) In the event that the Applicant accepts the provisional allotment of Rights Shares and (if applicable) instructions to apply for Excess Rights Shares together with payment therefor both by way of the ARE and/or the ARS (as the case may be) whether directly to CDP and/or by way of Electronic Application through an ATM of a Participating Bank, the Company and/or CDP shall be authorised and entitled to accept the Applicant's instructions in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit. In determining the number of Rights Shares which the Applicant has validly given instructions to accept, the Applicant shall be deemed to have irrevocably given instructions to accept the lesser of the number of Rights Shares represented by the provisional allotment standing to the credit of the "Free Balance" of the Applicant's Securities Account which is available for acceptance and payment as at the Closing Date and the aggregate number of Rights Shares which have been accepted by the Applicant by way of the ARE and/or the ARS (as the case may be) and by Electronic Application through an ATM of a Participating Bank. The Company and/or CDP, in determining the number of Rights Shares which the Applicant has given valid instructions to accept, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptance of Rights Shares, whether by way of Cashier's Order or Banker's Draft in Singapore currency drawn on a bank in Singapore accompanying the ARE and/or the ARS (as the case may be), or by way of acceptance through Electronic Application through an ATM of a Participating Bank, which the Applicant has authorised or deemed to have authorised to be applied towards the payment in respect of the Applicant's acceptance.

(6) If applicable, in the event that the Applicant applies for Excess Rights Shares both by way of the ARE and/or by way of Electronic Application through an ATM of a Participating Bank, the Company and/or CDP shall be authorised and entitled to accept the Applicant's instructions in whichever mode or combination as the Company and/or CDP may, in their/its absolute discretion, deem fit. In determining the number of Excess Rights Shares which the Applicant has given valid instructions for the application of, the Applicant shall be deemed to have irrevocably given instructions to apply for and agreed to accept such number of Excess Rights Shares not exceeding the aggregate number of Excess Rights Shares for which he has applied by way of the ARE, whether directly to CDP, and/or by Electronic Application through an ATM of a Participating Bank. The Company and/or CDP, in determining the number of Excess Rights Shares which the Applicant has given valid instructions for the application of, shall be authorised and entitled to have regard to the aggregate amount of payment received for the application of the Excess Rights Shares, whether by way of Cashier's Order or Banker's Draft in Singapore currency drawn on a bank in Singapore accompanying the ARE or by way of application through Electronic Application through an ATM of a Participating Bank, which the Applicant has authorised or deemed to have authorised to be applied towards the payment in respect of the Applicant's application.

(7) The Applicant irrevocably requests and authorises the Company to:

(a) register, or to procure the registration of the Rights Shares and (if applicable) the Excess Rights Shares allotted to the Applicant in the name of CDP for deposit into his Securities Account;

(b) return or refund (without interest or any share of revenue or other benefit arising therefrom) the acceptance/application monies, should his Electronic Application in respect of the Rights Shares be accepted and/or Excess Rights Shares applied for not be accepted by the Company for any reason, by automatically crediting the Applicant's bank account with his Participating Bank with the relevant amount within three Business Days after the commencement of trading of the Rights Shares; and

(c) return or refund (without interest or any share of revenue or other benefit arising therefrom) the balance of the application monies, should his Electronic Application for Excess Rights Shares be accepted in part only, by automatically crediting the Applicant's bank account with his Participating Bank with the relevant amount within three Business Days after the commencement of trading of the Rights Shares.

(8) **BY MAKING AN ELECTRONIC APPLICATION, THE APPLICANT CONFIRMS THAT HE IS NOT ACCEPTING/APPLYING FOR THE RIGHTS SHARES AS A NOMINEE OF ANY OTHER PERSON.**

(9) The Applicant irrevocably agrees and acknowledges that his Electronic Application is subject to risks of electrical, electronic, technical and computer-related faults and breakdowns, fires, acts of God, mistakes, losses and theft (in each case whether or not within the control of the Company, CDP, the Share Registrar, the Participating Banks and/or the Receiving Bank) and any other events whatsoever beyond the control of the Company, CDP, the Share Registrar, the Participating Banks and/or the Receiving Bank, and if, in any such event, the Company, CDP, the Share Registrar, the Participating Banks and/or the Receiving Bank do not record or receive the Applicant's Electronic Application by **9.30 P.M. ON 14 JULY 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), or such data or the tape containing such data is lost, corrupted, destroyed or not otherwise accessible, whether wholly or partially for whatever reason, the Applicant shall be deemed not to have made an Electronic Application and the Applicant shall have no claim whatsoever against the Company, CDP, the Share Registrar, the Participating Banks and the Receiving Bank for any purported acceptance thereof and (if applicable) application for Excess Rights Shares therefor, or for any compensation, loss or damages in connection therewith or in relation thereto.

(10) **Electronic Applications may only be made through ATMs of the Participating Banks from Mondays to Saturdays between 7.00 a.m. to 9.30 p.m. (excluding public holidays).**

(11) Electronic Applications shall close at **9.30 P.M. ON 14 JULY 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

(12) All particulars of the Applicant in the records of his Participating Bank at the time he makes his Electronic Application shall be deemed to be true and correct and the relevant Participating Bank and the Relevant Parties shall be entitled to rely on the accuracy thereof. If there has been any change in the particulars of the Applicant after the time of the making of his Electronic Application, the Applicant shall promptly notify his Participating Bank.

(13) The Applicant must have sufficient funds in his bank account(s) with his Participating Bank at the time he makes his Electronic Application, failing which his Electronic Application will not be completed. Any Electronic Application made at the ATMs of Participating Banks which does not strictly conform to the instructions set out on the ATM screens of such Participating Banks will be rejected.

(14) Where an Electronic Application is not accepted, it is expected that the full amount of the acceptance/application monies will be returned or refunded in Singapore dollars (without interest or any share of revenue or other benefit arising therefrom) to the Applicant by being automatically credited to the Applicant's bank account with the relevant Participating Bank within three Business Days after the commencement of trading of the Rights Shares. An Electronic Application may also be accepted in part, in which case the balance amount of acceptance/application monies will be returned or refunded on the same terms.

(15) In consideration of the Company arranging for the Electronic Application facility through the ATMs of the Participating Banks and agreeing to close the Rights Issue at **9.30 P.M. ON 14 JULY 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), and by making and completing an Electronic Application, the Applicant agrees that:

(a) his Electronic Application is irrevocable (whether or not, to the extent permitted by law, any supplementary document or replacement document referred to in Section 241 of the SFA is lodged with the SGX-ST, acting as agent on behalf of the Authority);

(b) his Electronic Application, the acceptance by the Company and the contract resulting therefrom shall be governed by and construed in accordance with the laws of Singapore and he irrevocably submits to the exclusive jurisdiction of the Singapore courts;

(c) none of the Company, CDP, the Share Registrar, the Participating Banks or the Receiving Bank shall be liable for any delays, failures or inaccuracies in the recording, storage or in the transmission or delivery of data relating to his Electronic Application to the Company, CDP or the Participating Banks due to a breakdown or failure of transmission, delivery or communication facilities or any risks referred to in paragraph 9 above or to any cause beyond their respective control;

(d) he will not be entitled to exercise any remedy of rescission or misrepresentation at any time after his acceptance of the provisionally allotted Rights Shares and (if applicable) his application for Excess Rights Shares;

(e) in respect of the Rights Shares and/or Excess Rights Shares for which his Electronic Application has been successfully completed and not rejected, acceptance of the Applicant's Electronic Application shall be constituted by written notification by or on behalf of the Company and not otherwise, notwithstanding any payment received by or on behalf of the Company; and

(f) unless expressly provided to the contrary in this Offer Information Statement or the Electronic Application, a person who is not a party to any contracts made pursuant to this Offer Information Statement and/or the Electronic Application has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any term of such contracts. Notwithstanding any term contained in this Offer Information Statement, the consent of any third party is not required for any subsequent agreement by the parties thereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

(16) The Applicant should ensure that his personal particulars as recorded with both CDP and the relevant Participating Banks are correct and identical, otherwise, his Electronic Application may be liable to be rejected. The Applicant should promptly inform CDP of any change in his address, failing which the notification letter on successful allotment and/or other correspondence will be sent to his address last registered with CDP.

(17) The existence of a trust will not be recognised. Any Electronic Application by an Applicant must be made in his own name and without qualification. The Company will reject any application by any person acting as nominee.

(18) In the event that the Applicant accepts the provisionally allotted Rights Shares and/or (if applicable) applies for Excess Rights Shares, as the case may be, by way of the ARE and/or the ARS and/or by way of Electronic Application through any ATM of the Participating Banks, the Rights Shares and (if applicable) Excess Rights Shares will be allotted in such manner as the Company and/or CDP may, in their/its absolute discretion, deem fit and the surplus acceptance and (if applicable) application monies, as the case may be, will be returned or refunded, without interest or any share of revenue or other benefit arising therefrom, within three Business Days after the commencement of trading of the Rights Shares by any one or a combination of the following:

(a) by means of a crossed cheque drawn on a bank in Singapore and sent by ordinary post **AT HIS OWN RISK** to his mailing address as recorded with CDP or in such other manner as he may have agreed with CDP for the payment of any cash distributions if he accepts and (if applicable) applies through CDP; and/or

(b) by crediting the Applicant's bank account with the relevant Participating Bank **AT HIS OWN RISK** if he accepts and (if applicable) applies through an ATM of that Participating Bank, the receipt by such bank being a good discharge to the Company and CDP of their obligations, if any, thereunder.

(19) The Applicant hereby acknowledges that, in determining the total number of Rights Shares represented by the provisional allotment of Rights Shares which he can validly accept, the Company and/or CDP are entitled, and the Applicant hereby authorises the Company and/or CDP, to take into consideration:

(a) the total number of Rights Shares represented by the provisional allotment of Rights Shares which the Applicant has validly accepted, whether under the ARE, the ARS and/or any other form of acceptance (including Electronic Application through an ATM of a Participating Bank) for the Rights Shares and/or Excess Rights Shares;

(b) the total number of Rights Shares represented by the provisional allotment of Rights Shares standing to the credit of the "Free Balance" of the Applicant's Securities Account which is available for acceptance; and

(c) the total number of Rights Shares represented by the provisional allotment of Rights Shares which has been disposed of by the Applicant.

The Applicant hereby acknowledges that the Company's and/or CDP's determination shall be conclusive and binding on him.

(20) The Applicant irrevocably requests and authorises the Company and/or CDP to accept instructions from the Participating Bank through whom the Electronic Application is made in respect of the provisional allotment of Rights Shares accepted by the Applicant and (if applicable) the Excess Rights Shares which the Applicant has applied for.

(21) Where an acceptance, application and/or payment does not conform strictly to the instructions set out under this Offer Information Statement, the PAL, the ARE, the ARS and/or any other application form for the Rights Shares and/or Excess Rights Shares or which does not comply with the instructions for Electronic Application or with the terms and conditions of this Offer Information Statement, or in the case of an application by the PAL, the ARE, the ARS and/or any other application form for the Rights Shares and/or Excess Rights Shares which is illegible, incomplete, incorrectly completed or which is accompanied by an improperly or insufficiently drawn remittance, the Company and/or CDP may, at their/its absolute discretion, reject or treat as invalid any such acceptance, application, payment and/or other process of remittances at any time after receipt in such manner as they/it may deem fit.

(22) The Company and/or CDP shall be entitled to process each application submitted for the acceptance of the provisional allotment of Rights Shares and (if applicable) application for Excess Rights Shares and the payment received in relation thereto, pursuant to such application, by an Entitled Shareholder, on its own, without regard to any other application and payment that may be submitted by the same Entitled Shareholder. For the avoidance of doubt, insufficient payment for an application may render the application invalid. Evidence of payment (or overpayment) in other applications shall not constitute or be construed as an affirmation of such invalid application submitted for the acceptance of the provisional allotment of Rights Shares and (if applicable) application for Excess Rights Shares.

APPENDIX III – PROCEDURES FOR ACCEPTANCE, PAYMENT, SPLITTING, RENUNCIATION AND EXCESS APPLICATION BY ENTITLED SCRIPHOLDERS

1. INTRODUCTION

1.1. Acceptances of the provisional allotment of Rights Shares and (if applicable) any application for Excess Rights Shares must be made on the appropriate form(s) accompanying and forming part of this Offer Information Statement.

1.2. Entitled Scripholders are entitled to receive this Offer Information Statement together with the following documents which are enclosed herewith, and are deemed to constitute a part of, this Offer Information Statement:

PAL incorporating:

Form of Acceptance	Form A
Request for Splitting	Form B
Form of Renunciation	Form C
Form of Nomination	Form D
Excess Rights Shares Application Form	Form E

1.3. The provisional allotments of the Rights Shares and application for Excess Rights Shares are governed by the terms and conditions of this Offer Information Statement, the PAL and (if applicable) the Constitution of the Company. The number of Rights Shares provisionally allotted to Entitled Scripholders is indicated in the PAL (fractional entitlements, if any, having been disregarded). Entitled Scripholders may accept their provisional allotments of Rights Shares, in full or in part, and are eligible to apply for Excess Rights Shares.

1.4. Full instructions for the acceptance of and payment for the Rights Shares provisionally allotted to Entitled Scripholders and (if applicable) Excess Rights Shares, and the procedures to be adopted should they wish to renounce, transfer or split all or part of their provisional allotments are set out in the PAL.

1.5. Where an acceptance, application and/or payment does not conform strictly to the instructions set out under this Offer Information Statement, the PAL and/or any other application form for Rights Shares and/or Excess Rights Shares, or in the case of any application by the PAL and/or any other application form for Rights Shares and/or Excess Rights Shares which is illegible, incomplete, incorrectly completed, unsigned or which is accompanied by an improperly or insufficiently drawn remittance, the Company and/or the Share Registrar may, at their/its absolute discretion, reject or treat as invalid any such acceptance, application, payment and/or other processes of remittances at any time after receipt in such manner as they/it may deem fit.

1.6. The Company and/or the Share Registrar shall be entitled to process each application submitted for the acceptance of the Rights Shares and (if applicable) application for Excess Rights Shares and the payment received in relation thereto, pursuant to such application, by an Entitled Scripholder or a renouncee, on its own, without regard to any other application and payment that may be submitted by the same Entitled Scripholder or renouncee. For the avoidance of doubt, insufficient payment for an application may render the application invalid. Evidence of payment (or overpayment) in other applications shall not constitute, or be construed as, an affirmation of such invalid application submitted for Rights Shares and (if applicable) application for Excess Rights Shares.

1.7. The full amount payable for the relevant number of Rights Shares and (if applicable) Excess Rights Shares accepted or applied for will be rounded up to the nearest whole cent, if applicable.

1.8. **Entitled Scripholders who intend to trade any part of their provisional allotments of Rights Shares on the SGX-ST should note that all dealings in and transactions of the provisional allotments of Rights Shares through the SGX-ST will be effected under the book-entry (scripless) settlement system. Accordingly, the PALs will not be valid for delivery pursuant to trades done on the SGX-ST.**

1.9. Unless expressly provided to the contrary in this Offer Information Statement and/or the PAL with respect to enforcement against Entitled Scripholders or their renouncees, a person who is not a party to any contracts made pursuant to this Offer Information Statement and/or the PAL has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any term of such contracts. Notwithstanding any term contained herein, the consent of any third party is not required for any subsequent agreement by the parties thereto to amend or vary (including any release or compromise of any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.

1.10. The Company reserves the right to proceed with the Rights Issue notwithstanding a default by any of the Undertaking Shareholders and/or the JN Entities in the performance of their obligations under the Undertakings.

2. FORM OF ACCEPTANCE (FORM A)

2.1. Acceptance

An Entitled Scripholder who wishes to accept his entire provisional allotment of Rights Shares or to accept any part of it and decline the balance should:

(a) complete and sign the Form of Acceptance (Form A) for the number of Rights Shares which he wishes to accept; and

(b) return the PAL in its entirety, duly completed and signed, together with a single remittance for the full amount due and payable on acceptance by post at his own risk in the enclosed self-addressed envelope provided, to **IX BIOPHARMA LTD. C/O THE SHARE REGISTRAR, TRICOR BARBINDER SHARE REGISTRATION SERVICES, 80 ROBINSON ROAD, #02-00, SINGAPORE 068898**, so as to reach the Share Registrar not later than **5.00 P.M. ON 14 JULY 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

2.2. Insufficient Payment

If:

(a) no remittance is attached for the full amount that is payable for the provisional allotment of Rights Shares accepted by the Entitled Scripholder; or

(b) the remittance submitted together with the PAL is less than the full amount that is payable for the provisional allotment of Rights Shares accepted by the Entitled Scripholder,

in each case, the attention of the Entitled Scripholder is drawn to paragraph 2.3 of this Appendix III titled "Appropriation" which sets out the circumstances and manner in which the Company and/or the Share Registrar shall be entitled to determine the number of Rights Shares which the Entitled Scripholder has given instructions to accept.

2.3. Appropriation

An Entitled Scripholder should note that by accepting his provisional allotment of Rights Shares, he acknowledges that the Company and/or the Share Registrar, in determining the number of Rights Shares which the Entitled Scripholder has given instructions to accept, shall be authorised and entitled to have regard to the aggregate amount of payment received for the acceptance of Rights Shares, whether by way of Cashier's Order or Banker's Draft in Singapore currency drawn on a bank in Singapore to be applied towards the payment of his acceptance of the Rights Shares.

3. REQUEST FOR SPLITTING (FORM B), FORM OF RENUNCIATION (FORM C) AND FORM OF NOMINATION (FORM D)

3.1. Entitled Scripholders who wish to accept only part and renounce the balance of their provisional allotments of Rights Shares, or who wish to renounce all or part of their provisional allotments of Rights Shares in favour of more than one person, should first, using the Request for Splitting (Form B), request to have their provisional allotments of Rights Shares under the PAL split into separate PALs ("**Split Letters**") according to their requirements. The duly completed and signed Form B, together with the PAL in its entirety, should then be returned by post at the sender's own risk in the enclosed self-addressed envelope provided, to **IX BIOPHARMA LTD. C/O THE SHARE REGISTRAR, TRICOR BARBINDER SHARE REGISTRATION SERVICES, 80 ROBINSON ROAD, #02-00, SINGAPORE 068898**, as soon as possible and in any case to reach the Share Registrar not later than **5.00 P.M. ON 8 JULY 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company). Split Letters will then be issued to Entitled Scripholders in accordance with their request. No Split Letters will be issued to Entitled Scripholders if Form B (together with the PAL in its entirety) is received after **5.00 P.M. ON 8 JULY 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

3.2. The Split Letters representing the number of Rights Shares which Entitled Scripholders intend to renounce, may be renounced by completing the Form for Renunciation (Form C) before delivery to the renouncee(s). Entitled Scripholders should complete Form A of the Split Letter(s) representing that part of their provisional allotments of Rights Shares they intend to accept, if any. The said Split Letter(s) together with the remittance for the payment in the prescribed manner should be returned by post at the sender's own risk in the enclosed self-addressed envelope provided, to **IX BIOPHARMA LTD. C/O THE SHARE REGISTRAR, TRICOR BARBINDER SHARE REGISTRATION SERVICES, 80 ROBINSON ROAD, #02-00, SINGAPORE 068898** so as to reach the Share Registrar not later than **5.00 P.M. ON 14 JULY 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

3.3. Entitled Scripholders who wish to renounce their entire provisional allotments of Rights Shares in favour of one person, or renounce any part of it in favour of one person and decline the balance, should complete Form C for the number of provisional allotments of Rights Shares which they wish to renounce and deliver the PAL in its entirety to the renouncee(s) as soon as possible.

3.4. The renouncee should complete and sign the Form of Nomination (Form D) and forward Form D, together with the PAL in its entirety, and the remittance for the payment in the prescribed manner, by post at his/their own risk, in the enclosed self-addressed envelope provided, to **IX BIOPHARMA LTD. C/O THE SHARE REGISTRAR, TRICOR BARBINDER SHARE REGISTRATION SERVICES, 80 ROBINSON ROAD, #02-00, SINGAPORE 068898**, so as to reach the Company not later than **5.00 P.M. ON 14 JULY 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

3.5. Each Entitled Scripholder may consolidate the Rights Shares provisionally allotted in the PAL together with those comprised in any PALs and/or Split Letters renounced in his favour by completing and signing the Form of Acceptance (Form A) and the Consolidated Listing Form in the Form of Nomination (Form D) of the PAL and attaching thereto all the said renounced PALs and/or Split Letters, each duly completed and signed and with the serial number of the Principal PAL (as hereinafter defined) stated on each of them. A renouncee who is not an Entitled Scripholder and who wishes to consolidate the provisional allotments of Rights Shares comprised in several renounced PALs and/or Split Letters in one name only or in the name of a joint Securities Account should complete the Consolidated Listing Form in the Form of Nomination (Form D) of only one PAL or Split Letter (the "**Principal PAL**") by entering therein details of the renounced PALs and/or Split Letters and attaching thereto all the said renounced PALs and/or Split Letters, each duly completed and signed, and with the serial number of the Principal PAL stated on each of them.

ALL THE RENOUNCED PALS AND SPLIT LETTERS, EACH DULY COMPLETED AND SIGNED, MUST BE ATTACHED TO FORM A OR FORM D (AS THE CASE MAY BE).

4. PAYMENT

4.1. Payment in relation to the PALs for the full amount due on acceptance and/or application must be made in Singapore currency in the form of a Cashier's Order or Banker's Draft drawn on a bank in Singapore and made payable to **"IX BIOPHARMA LTD. – RIGHTS ISSUE"** and crossed **"NOT NEGOTIABLE, A/C PAYEE ONLY"** with the name and address of the Entitled Scripholder or acceptor clearly written in block letters on the reverse side of the Cashier's Order or Banker's Draft. **NO OTHER FORM OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.** The completed PAL and remittance should be forwarded, by post **AT THE SENDER'S OWN RISK**, in the enclosed self-addressed envelope provided, to **IX BIOPHARMA LTD. C/O THE SHARE REGISTRAR, TRICOR BARBINDER SHARE REGISTRATION SERVICES, 80 ROBINSON ROAD, #02-00, SINGAPORE 068898**, so as to reach the Share Registrar not later than **5.00 P.M. ON 14 JULY 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company).

4.2. If acceptance and (if applicable) application for Excess Rights Shares and payment in the prescribed manner as set out in this Offer Information Statement and the PAL is not received by **5.00 P.M. ON 14 JULY 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company), the provisional allotments of Rights Shares will be deemed to have been declined and will forthwith lapse and become void and cease to be capable of acceptance and such provisional allotments not so accepted will be used to satisfy applications for Excess Rights Shares, if any, or disposed of or dealt with in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. The Company will return or refund all unsuccessful acceptance and (if applicable) application monies received in connection therewith by ordinary post **AT THE RISK OF THE ENTITLED SCRIPHOLDERS OR THEIR RENOUNCEE(S)**, as the case may be, without interest or any share of revenue or benefit arising therefrom within 14 days after the Closing Date.

5. EXCESS RIGHTS SHARES APPLICATION FORM (FORM E)

5.1. Excess Rights Shares Application Form (Form E) contains full instructions with regard to the application for Excess Rights Shares, acceptable forms of payment and the procedures to be followed if you wish to apply for Excess Rights Shares.

5.2. Entitled Scripholders who wish to apply for Excess Rights Shares in addition to those which have been provisionally allotted to them may do so by completing the Form E and forwarding it together with the PAL and a **SEPARATE REMITTANCE** for the full amount payable in respect of the Excess Rights Shares applied for in the form and manner set out in paragraph 4 above, by post **AT THEIR OWN RISK** in the enclosed self-addressed envelope provided, to **IX BIOPHARMA LTD. C/O THE SHARE REGISTRAR, TRICOR BARBINDER SHARE REGISTRATION SERVICES, 80 ROBINSON ROAD, #02-00, SINGAPORE 068898**, so as to reach the Share Registrar not later than **5.00 P.M. ON 14 JULY 2016** (or such other time(s) and/or date(s) as may be announced from time to time by or on behalf of the Company)**. NO OTHER FORM OF PAYMENT (INCLUDING THE USE OF A PERSONAL CHEQUE, A POSTAL ORDER OR MONEY ORDER ISSUED BY A POST OFFICE IN SINGAPORE) WILL BE ACCEPTED.**

5.3. Applications for Excess Rights Shares by Entitled Scripholders are subject to the terms and conditions contained in the PAL, the Excess Rights Shares Application Form (Form E), this Offer Information Statement and (if applicable) the Constitution of the Company. Applications for Excess Rights Shares will, at the Directors' absolute discretion, be satisfied from such Rights Shares as are not validly taken up by the Entitled Shareholders or their respective renouncee(s) or Purchaser(s), together with the aggregated fractional entitlements to the Rights Shares, the unsold "nil-paid" provisional allotment of Rights Shares (if any) of Foreign Shareholders and any Rights

Shares that are otherwise not allotted for whatever reason in accordance with the terms and conditions contained in this Offer Information Statement, the PAL, Form E and (if applicable) the Constitution of the Company. In the event that applications are received by the Company for more Excess Rights Shares than are available, the Excess Rights Shares available will be allotted in such manner as the Directors may, in their absolute discretion, deem fit in the interests of the Company. The Company reserves the right to reject, in whole or in part, any application for Excess Rights Shares without assigning any reason whatsoever.

5.4. If no Excess Rights Shares are allotted to an Entitled Scripholder, his remittance submitted on application for Excess Rights Shares will be returned or refunded to him. If the number of Excess Rights Shares allotted to an Entitled Scripholder is less than that applied for, the Entitled Scripholder shall be deemed to have accepted the number of Excess Rights Shares actually allotted to him, and the surplus application monies will be returned or refunded to him. These amounts will be returned or refunded, without interest or any share of revenue or other benefit arising therefrom, within 14 days after the Closing Date. In determining the amount of surplus application monies to be refunded, the aggregate amount payable for the Excess Rights Shares allotted to an Entitled Scripholder will be rounded upwards to the nearest whole cent. All monies and documents to be sent to the Entitled Scripholder shall be sent by ordinary post to his mailing address as maintained with the Share Registrar and **AT HIS OWN RISK**.

6. PERSONAL DATA PRIVACY

By completing and delivering the PAL, an Entitled Depositor or Purchaser (a) consents to the collection, use and disclosure of his personal data by the Relevant Persons (as defined in Appendix I to this Offer Information Statement) for the Purposes (as defined in Appendix I to this Offer Information Statement), (b) warrants that where he discloses the personal data of another person, such disclosure is in compliance with applicable law, and (c) agrees that he will indemnify the Relevant Persons in respect of any penalties, liabilities, claims, demands, losses and damages as a result of his breach of warranty.

7. GENERAL

7.1. No acknowledgement or receipt will be issued for any acceptance, application or payment received.

7.2. **Entitled Scripholders who are in doubt as to the action they should take should consult their stockbroker, bank manager, legal adviser, accountant or other professional adviser.**

7.3. Upon listing and quotation on Catalist, the Rights Shares, when issued, will be traded under the book-entry (scripless) settlement system. All dealings in and transactions (including transfers) of the Rights Shares effected through the SGX-ST and/or CDP shall be in accordance with CDP's "Terms and Conditions for Operation of Securities Accounts with The Central Depository (Pte) Limited", as the same may be amended from time to time, copies of which are available from CDP.

7.4. **To facilitate scripless trading, Entitled Scripholders and their renouncees who wish to accept the Rights Shares provisionally allotted to them and (if applicable) apply for Excess Rights Shares and who wish to trade the Rights Shares issued to them on Catalist under the book-entry (scripless) settlement system, should open and maintain Securities Accounts with CDP in their own names (if they do not already maintain such Securities Accounts) before accepting any Rights Shares or applying for any Excess Rights Shares in order for the Rights Shares and (if applicable) the Excess Rights Shares that may be allotted to them be credited by CDP into their Securities Accounts. Entitled Scripholders and their renouncees who wish to accept the Rights Shares and/or apply for the Excess Rights Shares and have their Rights Shares and (if applicable) the Excess Rights Shares credited into their Securities Accounts must fill in their Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) in the relevant forms comprised in the PAL. Entitled Scripholders and their renouncees who fail to fill in their Securities Account numbers and/or NRIC/passport numbers (for individuals) or**

registration numbers (for corporations) or who provide incorrect or invalid Securities Account numbers and/or NRIC/passport numbers (for individuals) or registration numbers (for corporations) or whose particulars provided in the forms comprised in the PAL differ from those particulars in their Securities Accounts maintained with CDP will be issued physical share certificates in their own names for the Rights Shares and (if applicable) the Excess Rights Shares allotted to them. Such physical share certificates, if issued, will be forwarded to them by ordinary post AT THEIR OWN RISK and will not be valid for delivery pursuant to trades done on Catalist under the book-entry (scripless) settlement system, although they will continue to be *prima facie* evidence of legal title.

7.5. If the Entitled Scripholder's address stated in the PAL is different from his address registered with CDP, he must inform CDP of his updated address promptly, failing which the notification letter, on successful allotments, will be sent to his address last registered with CDP.

7.6. A holder of physical share certificate(s), or an Entitled Scripholder who has not deposited his share certificate(s) with CDP but who wishes to trade on the SGX-ST, must deposit with CDP his existing share certificate(s), together with the duly stamped and executed instrument(s) of transfer (including any applicable fee) in favour of CDP, and have his Securities Account credited with the number of Rights Shares or existing Shares, as the case may be, before he can effect the desired trade.

7.7. Shareholders should note that most counters on the SGX-ST currently trade in lot sizes of 100 shares. Following the Rights Issue, Shareholders who hold odd lots of the Rights Shares and/or Excess Rights Shares (i.e. lots other than board lots of 100 Shares) and who wish to trade in odd lots of Shares should note that they can trade on the SGX-ST's Unit Share Market, which allows the trading of odd lots.

7.8. **THE FINAL TIME AND DATE FOR ACCEPTANCES OF AND PAYMENT FOR RIGHTS SHARES AND (IF APPLICABLE) APPLICATIONS AND PAYMENT FOR EXCESS RIGHTS SHARES IS 5.00 P.M. ON 14 JULY 2016 (OR SUCH OTHER TIME(S) AND/OR DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE COMPANY).**

PARTICIPATING BANKS FOR ELECTRONIC APPLICATIONS THROUGH AN ATM:

(a) DBS Bank Ltd. (including POSB);

(b) Oversea-Chinese Banking Corporation Limited; and

(c) United Overseas Bank Limited and its subsidiary, Far Eastern Bank Limited

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Offer Information Statement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Offer Information Statement constitutes full and true disclosure of all material facts about the Rights Issue, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Offer Information Statement misleading. Where information in this Offer Information Statement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Offer Information Statement in its proper form and context.

Dated this 24th day of June 2016

For and on behalf of
IX BIOPHARMA LTD.

EDDY LEE YIP HANG
Chairman and CEO

ALBERT HO SHING TUNG
Non-Executive Director

KO KHENG HWA
Lead Independent Director

LOW WENG KEONG
Independent Director

CLAUDIA TEO KWEE YEE
Independent Director