

Quarterly Shareholder Update – June 2023



Dear Shareholder,

In our March Shareholder Update, I promised an eventful quarter ahead as we anticipated data from clinical studies of our two lead assets; PXS-5505 in myelofibrosis and PXS-6302 in skin scarring. Now, with these results in hand, I can confirm it has not only been an eventful but very successful few months with outcomes that have been well received by both clinicians and regulators.

You can read the full detail of the results announcements later in this update. However, I'd like to highlight one key learning by taking a look at the totality of what we have achieved and the major step forward for our lead program.

- **The anti-fibrotic effect of inhibiting lysyl oxidase (LOX) enzymes is proved beyond doubt**

Fibrosis is a process that underpins many diseases and the search for a true anti-fibrotic drug that is well tolerated has been a holy grail in drug discovery. Over the 10 years we have been studying lysyl oxidase (LOX) biology and testing compounds from our own laboratories in pre-clinical models. Concomitantly, there has also been an increasing body of evidence published in peer reviewed journals from independent research institutes worldwide exploring their role in fibrosis. Pharmaxis is the only company with pan-LOX inhibitors in clinical development and we have been vindicated and rewarded this quarter with both PXS-5505 and PXS-6302 showing unprecedented reductions in fibrosis in their respective clinical trials. 60% of the myelofibrosis patients completing 6 months' treatment on PXS-5505 showed a reduction in bone marrow fibrosis of at least one grade, whilst the patients with established scars treated for 3 months with topical treatment PXS-6302 showed a 30% reduction in collagen content. On top of the comprehensive pre-clinical data from our compounds published in Nature Communications and other respected journals we can justifiably claim that we have achieved clinical proof of anti-fibrotic effect.

- **FDA support continued development in myelofibrosis after first exposure to pan-LOX inhibitor mechanism**

PXS-5505 is a first in class drug and as such there is no precedent for the company or the FDA to consider when reviewing the data from the first phase 2 study in patients. After a positive type C meeting in quarter one which was the first look at our trial data, I am delighted to report that the FDA has agreed Pharmaxis can progress to the next stage of development. We now have an accepted protocol amendment to add PXS-5505 to the treatment regimen for myelofibrosis patients who are already using the JAK inhibitor, ruxolitinib. This will be a 12-month open label study targeting 15 patients. This study will be run as an extra cohort of the ongoing monotherapy study and therefore we can get a very fast start with no need to set up new trial centres. Recruitment is scheduled to commence later this year and take approximately 6 months to complete. This combination holds much promise for myelofibrosis patients with the potential to deliver a disease modifying effect. We should be reviewing significant data that has both regulatory and commercial value in the second half of 2024.

I look forward to communicating more positive developments in the upcoming quarter.

A handwritten signature in black ink that reads "Gary Phillips". The signature is written in a cursive style with a long, sweeping underline.

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Products and Pipeline at a glance

Disease/target	Drug	Status
Myelofibrosis (oral pan-LOX inhibitor)	PXS-5505	Phase 2a ongoing
Scarring (Topical pan-LOX inhibitor)	PXS-6302	Phase 1c IIS fully recruited
Neuro inflammation - iRDB (SSAO/MAOB inhibitor)	PXS-4728	Phase 2 start up
Chronic fibrotic diseases (LOXL2 inhibitor)	PXS-5382	Phase 1 completed
Cystic fibrosis	Bronchitol	Approved
Asthma	Aridol	Approved

Drug discovery

Oral pan-LOX inhibitor program (PXS-5505) in myelofibrosis

Pharmaxis' primary drug development initiative is its pan-Lysyl Oxidase (pan-LOX) inhibitor program focussed on the rare blood cancer, myelofibrosis. PXS-5505 is an orally taken drug that inhibits the lysyl oxidase family of enzymes and was developed from the Company's amine oxidase chemistry platform. In pre-clinical models of myelofibrosis, PXS-5505 reversed the bone marrow fibrosis that drives morbidity and mortality and reduced many of the abnormalities associated with this disease.

Myelofibrosis is a cancer with a poor prognosis and limited therapeutic options. Pharmaxis believes that the current treatments can be augmented by the concurrent use of a pan-LOX inhibitor. The combination with standard of care should be disease modifying in a market that is conservatively worth US\$1 billion per annum.

A phase 1c/2a clinical trial (named MF-101; ClinicalTrials.gov Identifier: NCT04676529), was cleared by the FDA under the Investigational New Drug scheme. The Phase 1c dose escalation phase started in the March quarter of 2021.

The study aims to demonstrate that PXS-5505 is safe and well tolerated as a monotherapy in myelofibrosis patients who are intolerant, unresponsive or ineligible for treatment with approved JAK inhibitor drugs. The trial has additional secondary endpoints to explore the impact of inhibiting lysyl oxidase enzymes on a number of important disease parameters such as bone marrow fibrosis, cytopenia and spleen volume.

In the phase 2a dose expansion stage 24 patients are to be treated twice a day for 6 months. The trial has to date recruited 21 patients.

A total of 20 trial sites in Australia, South Korea, Taiwan and the United States are actively recruiting.

Phase 1c highlights

PXS-5505 demonstrated a dose-dependent increase in inhibition of the target enzymes, LOX and LOXL2, and at 200 mg twice a day a greater than 90% inhibition over a 24-hour period at day 7 and day 28 was achieved. These levels of LOX and LOXL2 inhibition in myelofibrosis patients exceed the levels seen in preclinical models of myelofibrosis where PXS-5505 caused disease modifying effects with improvements in blood cell count, diminished spleen size and reduced bone marrow fibrosis. PXS-5505 achieves the highest inhibition of lysyl oxidases in this drug class. Read the announcement [here](#).

Phase 2 Interim data

The Company recently released its second and final interim data on the first 10 patients to have completed the full 24 weeks of treatment:

- Safety endpoints:
 - PXS-5505 has been well tolerated with no serious treatment related adverse events reported.
 - The majority of adverse events were mild and not related to treatment.
 - 10 patients dropped out of the study; none were treatment related.
- Efficacy endpoints:
 - Five out of nine evaluable patients had improved bone marrow fibrosis scores of ≥ 1 grade with four out of five fibrosis responders demonstrating stable hematological parameters and three out of five patients reporting symptomatic

improvement

- Four had an improvement in symptom score of >20%
- Seven had stable/improved hemoglobin (Hb) counts
- Eight had stable/improved platelet counts; three of these eight patients entered the study with Grade 4 (potentially life threatening) thrombocytopenia
- No spleen volume response (SVR35) was identified

On reviewing the results, Dr. Lucia Masarova, Assistant Professor, Department of Leukemia at MD Anderson Cancer Center, Houston said, “PXS-5505 continues to show not only an excellent safety profile but also promising clinical activity. The effect on bone marrow fibrosis is particularly exciting for a disease like myelofibrosis, where despite numerous years of research, we do not have any effective anti-fibrotic drugs. It is encouraging to see that majority of 10 patients who completed 24 weeks of therapy also had improvements of symptoms and more importantly, stable or improved blood counts; including in those patients with severe thrombocytopenia.

“These results support plans to continue clinical investigation of the agent, including combinations with JAK inhibitors where the lack of overlapping hematological toxicity would make PXS-5505 an ideal add-on candidate.”

Read more [here](#).

Watch an interview with CEO Gary Phillips outlining the study data [here](#) and an online investor briefing on 12 July 2023 [here](#).

FDA review – acceleration of plans for combination study with JAK inhibitor

In a Type C Meeting review at the beginning of the quarter, the FDA examined a package of safety and efficacy information from the current monotherapy trial of PXS-5505 and provided guidance on the number of patients, treatment dosage, study duration and endpoints for a study in combination with a JAK inhibitor as standard of care. Pharmaxis subsequently submitted a clinical trial protocol amendment to global regulators, including the FDA, adding an arm to the existing study (MF-101) and utilising existing trial sites. Based on the FDA Type C Meeting feedback the trial design has been streamlined to initiate the

combination arm at the same dose currently used in the monotherapy arm. The amended protocol has recently been cleared by the FDA under the Investigational New Drug (IND) scheme and the trial is therefore able to commence later this year.

The agreement with the FDA to expand the patient population in the ongoing phase 2 study to include those patients currently on a JAK inhibitor is an important step forward in realising the benefits of lysyl oxidase inhibition for all myelofibrosis patients and in maximising the commercial opportunity for PXS-5505. The Company is well advanced in discussion with the existing trial site investigators who have welcomed the opportunity to extend the patient population for the study and anticipate significantly accelerated recruitment.

PXS-5505 was granted Orphan Drug Designation by the US Food and Drug Administration (FDA) in July 2020.

Oral pan-LOX inhibitor program (PXS-5505) in myelodysplastic syndrome (MDS)

MDS comprises a group of blood cancers that share clinical and pathologic features with acute myeloid leukemia (AML). MDS occurs most commonly in older adults with an annual incidence thought to be as high as 75 cases/100,000.

Patients with MDS are at risk of symptomatic anaemia, infection, bleeding, and transformation to AML. The current standard of care for high risk MDS is treatment with hypomethylating agents (HMAs) such as 5-AZA and decitabine. Although approximately 50% of MDS patients initially respond to HMAs, subsequent relapse is almost certain, highlighting an urgent need for compounds that significantly improve the beneficial effects of HMAs.

Pharmaxis has an ongoing preclinical collaboration with the University of Heidelberg, Germany. A recent issue of Nature Communications published peer-reviewed data from the collaboration investigating the role of lysyl oxidase enzymes in myelodysplastic syndrome (MDS) and the effect of combining 5-azacytidine (5-AZA) with Pharmaxis' pan-lysyl oxidase inhibitor, PXS-5505¹.

Under the guidance of Professor Wolf-Karsten Hofmann and Professor Daniel Nowak, the team at Heidelberg University concluded that the significant increase in red blood cell production evidenced in their studies makes a strong case for trialing PXS-5505 combined with the current standard of care in MDS patients, especially those who are anaemic.

Professor Nowak said, “This study is one of the first published showing that re-modelling the extracellular matrix and bone marrow microenvironment can induce outstanding improvements of haematopoiesis in these diseases. The results of PXS-5505 in combination with 5-AZA are the best we have ever observed in our pre-clinical models of MDS with primary patient samples. The significant boost in erythropoiesis achieved by adding PXS-5505, allied to its favourable safety profile makes the combination of 5-AZA and PXS-5505 interesting for both high and low risk MDS as well as chronic myelomonocytic leukemia, myelofibrosis and low blast acute myeloid leukemia, filling a significant gap in the current treatment landscape of these diseases.”

Read more [here](#).

1. Read the Nature Communication article: [Inhibition of lysyl oxidases synergizes with 5-azacytidine to restore erythropoiesis in myelodysplastic and myeloid malignancies | Nature Communications](#)

Oral pan-LOX inhibitor program (PXS-5505) in other cancers

Pharmaxis' drug also has potential in several other cancers including liver cancer and pancreatic cancer where it aims to breakdown the fibrotic tissue in the tumour and enhance the effect of existing chemo and immunotherapies. Pharmaxis has a number of scientific collaborations with centres of excellence across the world who have shown interest in PXS-5505. The Company aims to support these and encourage the use of PXS-5505 in independent investigator initiated clinical studies wherever possible.

Topical pan-LOX inhibitor program (PXS-6302)

Pharmaxis has a second pan-LOX program that has developed a drug for topical application with

the potential for use in scar revision, keloid scarring and scar prevention post-surgery.

The Pharmaxis discovery, PXS-6302, has shown promising pre-clinical results which have been published in Nature Communications (<https://doi.org/10.1038/s41467-022-33148-5>). PXS-6302 inhibits the enzymes that play a critical role in the development of scar tissue and has successfully completed phase 1a/b clinical trials.

Pharmaxis, with the University of Western Australia (UWA) and the Fiona Stanley Hospital, has progressed the program into a trial in established scars and is planning further trials.

A phase 1c trial, known as SOLARIA2, is in 50 adult patients treated for scars of more than one year in age and greater than 10 square centimeters in size for a period of 3 months. The first 8 patients treated were on active drug with the following cohort of 42 which completed recruitment in December randomised 1:1 to active or placebo.

Preliminary results, released in September 2022 from the open label phase with 8 patients treated for up to 3 months on active drug, showed a high level of inhibition of enzymes and changes in biomarkers that are implicated in scarring. Read more [here](#).

In May 2023 the Company announced encouraging results in relation to the second cohort of the phase 1c study in established skin scars.

- The primary endpoint of safety and tolerability was met. PXS-6302 was very well tolerated and demonstrated a good safety profile. No serious adverse events were reported and only two patients withdrew from the study after reporting redness and itching at the site of application which resolved after treatment was stopped.
- Applications of PXS-6302 cream three times a per week resulted in a mean 66% reduction in LOX activity when measured 2 days after the last dose ($p < 0.001$) compared to baseline and to placebo group. LOX is responsible for the cross linking of collagen fibres implicated in adverse scarring.
- Changes in the composition of the scars was further assessed by quantifying a surrogate for collagen content, hydroxyproline, in the biopsies taken at baseline and at the end of the study. Patients in the active arm had a

mean reduction in hydroxyproline of 30% compared to placebo after three months treatment. ($p < 0.01$, t-test)

- The study enrolled patients with a wide variety of scar types of generally low to moderate severity and with an average scar age of 12.8 years. Patients and clinicians qualitatively evaluated a number of different aspects of the scar using the POSAS¹ scoring system. No significant differences in the overall score were seen between active and placebo groups after three months of treatment.

Surgeon and burns expert Professor Fiona Wood who is leading the study stated, “This exploratory clinical study has significantly enhanced our understanding of the role of LOX enzymes in scarring and the scar process itself. PXS-6302 safely inhibits these key enzymes to a significant degree and leads directly to an unprecedented change to the scar composition that we have not seen with any other form of treatment. We estimate that up to 50% of the excess collagen in these patients’ scars has been removed and while the length of this Phase 1c safety study was not sufficient to change the appearance of an established scar, the remodelling process will be ongoing and I’m confident we would see an improvement in scar appearance and physical characteristics if we observed them for longer.

“The collected data also bodes well for studying the effect of LOX inhibition on the prevention of scars after surgery and in younger scars where the remodelling process is more aggressive and probably more sensitive to intervention with a LOX inhibitor. This work is a particular passion of mine and I am looking forward to extending our collaboration with Pharmaxis for future studies.”

This first in man clinical study has pointed the way for future clinical research for the Company’s pan-LOX inhibitors. Pharmaxis has therefore extended its collaboration with Professor Wood and her team at UWA.

Read more [here](#).

Watch an interview with CEO Gary Phillips outlining the study data [here](#) and an online investor briefing on 23 May 2023 [here](#).

SSAO inhibitor program (PXS-4728) in Parkinson’s disease

The Pharmaxis discovery PXS-4728 is a potent inhibitor of the inflammatory enzyme SSAO (semicarbazide-sensitive amine oxidase) and, also in the brain, MAOB (monoamine oxidase B).

Previous research has identified that the development of isolated Rapid Eye Movement Sleep Behaviour Disorder (iRBD), where otherwise healthy people start acting out their dreams, is the strongest predictor for the development of Parkinson’s disease and dementia with Lewy Bodies. A recent multicentre study found that over 70% of iRBD patients transitioned to a neurodegenerative disease.

Currently, there are no disease modifying treatments for Parkinson’s disease and by the time patients are diagnosed they have already lost a significant number of brain cells. Therefore, targeting patients with iRBD offers an excellent strategy for slowing cell death when it could be most impactful.

Leading charity, Parkinson’s UK, is providing £2.9m (~A\$5m) to fund a Phase 2 study of PXS-4728 that will examine whether inhibiting both SSAO and MAO-B and thereby reducing inflammation and oxidative stress in the brain of people with iRBD, might provide a viable neuroprotective strategy to prevent iRBD.

Working in collaboration, experts from the University of Sydney and the University of Oxford will recruit 40 patients with iRBD to participate in a placebo-controlled Phase 2 trial to evaluate whether PXS-4728 can reduce neuroinflammation as measured by state of the art nuclear scanning techniques.

PXS-4728 has passed all long term toxicity studies and has been well tolerated in all clinical studies including two Phase 2 studies in other indications.

The funding agreement with Parkinson’s UK entails up to £2.9m (~A\$5m) to be paid to Pharmaxis to run the Phase 2 trial with advance payments received as the trial progresses. The next payment (£900,000) is due when the first patient is dosed. Pharmaxis is providing the study drug and the compound that will be used to measure inflammation in the brain scans of trial participants. The total is expected to cost approximately A\$5.8 million. The Parkinson’s Virtual Biotech will receive a return of up to four

times its funding from royalties on future revenue Pharmaxis receives from commercialising PXS-4728.

Preparations for the clinical study are well advanced with recruitment of the first patient in the September quarter of 2023.

Read more [here](#).

LOXL2 inhibitor program (PXS-5382)

The Lysyl Oxidase Like 2 (LOXL2) enzyme is fundamental to the fibrotic cascade that follows chronic inflammation in kidney fibrosis, the liver disease MASH (metabolic-dysfunction-associated steatohepatitis, previously called NASH) and cardiac fibrosis and idiopathic pulmonary fibrosis (IPF). It also plays a role in some cancers.

The Pharmaxis drug discovery group developed a small molecule inhibitor to the LOXL2 enzyme (PXS-5382) that has completed phase 1 clinical trials and 3-month toxicology studies.

Pharmaxis continues to pursue a number of different options to enable PXS-5382 to enter the clinic in phase 2 trials in a chronic disease and continues discussions with independent investigators in relation to study protocol design and funding options including grants.

Mannitol respiratory business

Bronchitol and Aridol

Bronchitol® (mannitol) is an inhaled dry powder for the treatment of cystic fibrosis (CF). The product is approved and marketed in the United States, Australia, Europe, Russia and several other countries.

Aridol® is an innovative lung function test designed to help doctors diagnose and manage asthma. Aridol is approved for sale in Australia, major European countries, the United States, Canada and South Korea.

Both Bronchitol and Aridol are manufactured at the Pharmaxis facility in Sydney and sold in Australia and internationally by exclusive distributors and wholesalers.

The largest markets for Bronchitol are currently the United States and Russia. Chiesi is the Company's distributor in the United States as well as Western Europe; GEN Ilac is the distributor for Russia as well as Turkey.

Bronchitol

Bronchitol sales

Pharmaxis supplies Bronchitol to its distributors only several time a year with the quantity and timing of orders based on in-market sales and distributor inventory levels. Quarter by quarter comparison of sales is therefore not indicative of underlying market trends. As discussed in previous updates, all markets were impacted by COVID.

Subsequent to large shipments to both the US and Russia during the March quarter there were no larger shipments in the current quarter.

Bronchitol sales for the three and twelve months ended 30 June 2023 and 30 June 2022 are as follows:

\$'000	Three months		Twelve months	
	2023	2022	2023	2022
Australia	48	69	239	677
Western Europe	245	(1)	553	790
Russia	-	(25)	1,054	2,226
Eastern Europe	160	35	576	506
United States	99	-	1,874	1,616
Total	553	78	4,295	5,815

In the US in-market, sales by Chiesi are still small relative to the opportunity.

In Western Europe in-market sales by Chiesi are approximately 55% lower than pre-COVID-19 levels (2019 calendar year).

Significant Russian in-market sales continue at a level more than double pre-COVID-19 levels.

Aridol sales

In-market sales for the year are marginally above that of 2022 but remain at approximately 65% of pre-COVID levels.

Aridol sales for the three and twelve months ended 30 June 2023 and 30 June 2022 are as follows:

\$'000	Three months		Twelve months	
	2023	2022	2023	2022
Australia	92	15	323	240
Europe	249	202	792	770
USA & Canada	-	314		314
South Korea	175	-	355	267
Rest of world	-	20		20
Total	516	551	1,470	1,611

Corporate

Quarterly investor calls

On 31 July Pharmaxis will host a quarterly investor briefing. Register for the briefing or listen to a recording of it [here](#).

Recent broker research

MST Access and Taylor Collison updated their research during the quarter, and Bioshares published articles on Pharmaxis. Copies of analyst reports are available on the Pharmaxis [website](#).

Pharmaxis investor presentation

Pharmaxis' most recent published investor presentation is available on the Company [website](#).

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Financials

Key financial metrics

	A\$'000		Three months ended		Twelve months ended	
	(unaudited)	30-Jun-23	30-Jun-22	30-Jun-23	30-Jun-22	
Segment results – adjusted EBITDA						
New drug development						
Oral pan-LOX (external costs - MF & MDS)		(1,250)	(1,787)	(4,921)	(5,431)	
Topical pan-LOX (external costs)		(985)	(280)	(1,852)	(993)	
Other program external costs (net of grants)		(271)	(155)	(1,430)	(718)	
Employee costs		(1,014)	(692)	(3,623)	(2,943)	
Overhead		(131)	(86)	(501)	(374)	
R&D tax credit & other income		5,214	4,900	5,268	5,600	
EBITDA		1,563	1,900	(7,059)	(4,859)	
Mannitol respiratory business						
Sales		1,069	630	5,765	7,427	
Other income		-	(2)	7,192	2,342	
		1,069	628	12,957	9,769	
Expenses – employee costs		(1,347)	(1,224)	(4,855)	(4,760)	
Expenses – manufacturing purchases		(794)	120	(2,706)	(2,729)	
Expenses – other		(698)	(829)	(3,328)	(3,584)	
EBITDA		(1,770)	(1,305)	2,068	(1,304)	
Corporate – EBITDA		(1,064)	(194)	(1,993)	(4,080)	
Total Adjusted EBITDA		(1,270)	401	(6,984)	(10,243)	
Net profit(loss)		(1,334)	12,194	(11,270)	(1,934)	
Statement of cash flows						
Cash inflow/ (outflow) from:						
Operations		(4,967)	(4,987)	(7,763)	(16,102)	
Investing activities		(19)	(204)	(132)	(306)	
Financing activities		(611)	(682)	6,980	6,633	
Total cash generated/(used)		(5,597)	(5,873)	(915)	(9,775)	
Cash at bank		9,230	14,810	9,230	14,810	

Financial highlights

New drug development

- Oral pan-LOX (MF & MDS) expenditure in the three and twelve months relates to the phase 1c/2a clinical trial in myelofibrosis that commenced patient dosing during the first quarter of 2021, and a small amount in support of pre-clinical work by a European university in relation to the effectiveness of PXS-5505 in models of myelodysplastic syndrome. Prior period expenditures also include the phase 1c/2a trial.

- Topical pan-LOX expenditure in the three and twelve months relates to the phase 1c clinical trial in patients with existing scars that commence dosing in January 2022. Expenditures in the current financial year also include work to advance additional topical drug candidates to address a wider range of scars.
- Other program (external costs) for the twelve months to 30 June 2023 include A\$321,000 start-up costs for the recently deferred clinical trial in HCC (liver cancer) and \$173,000 costs related to the iRDB trial that were not covered by the Parkinson's UK grant.

Mannitol respiratory business

- See above for detail and commentary in relation to Bronchitol and Aridol sales for the quarter.
- Other income for the twelve months includes the \$7.2 million received from Aptar for its purchase of the Orbital inhalation technology. The prior period nine month includes a \$2 million distributor appointment fee received on sale of Australasian Bronchitol and Aridol distribution rights and the fee received for granting of the option over the Orbital technology (\$340,000).
- Manufacturing purchases vary with the level of sales and manufacturing activity.

Corporate

- Excluding foreign exchange gains and losses Corporate EBITDA is typically between \$0.8 million and negative \$1.2 million per quarter. In the current quarter Corporate EBITDA excluding foreign exchange was negative \$0.9 million.

Net profit (loss)

- The difference between total adjusted EBITDA and net profit(loss) primarily relates to non-cash items (depreciation, amortization, share based payment expense) and foreign exchange rate gains and losses related to the financing agreement.

Cash

- The Company finished the quarter and half with \$9.2 million in cash.
- The Company expects to receive an R&D tax credit in relation to the 2023 financial year of \$5.2 million.
- The Company is also entitled to the next payment under its grant from Parkinson's UK of £900,000 (approximately A\$1.7 million) when the first patient is dosed in the iRDB clinical trial, scheduled for the September quarter of 2023

Other ASX Listing Rule required disclosures:

Detail in relation to aggregate amount of payments during the quarter to related parties and their associates disclosed in section 6.1 of the Appendix 4C Quarterly Cash Flow Report:

A\$'000	Three months ended 30 June 2023	Twelve months ended 30 June 2023
Non-executive directors' fees	95	319
Executive director remuneration	128	547
Total	223	866

Additional financial information

Income statements and summary balance sheets are provided below.

Income statements

	A\$'000 (unaudited)	Three months ended		Twelve months ended	
		30-Jun-23	30-Jun-22	30-Jun-23	30-Jun-22
Revenue					
Revenue from sale of goods		1,069	630	5,765	7,427
Sale of Orbital technology; distribution rights		-	(0)	7,192	2,340
Interest		46	12	117	157
R&D tax incentive		5,193	4,900	5,246	4,900
Grants		54	(24)	510	81
Other		135	129	474	1,010
Total revenue		6,497	5,647	19,305	15,915
Expenses					
Employee costs		(2,942)	(2,530)	(11,337)	(10,393)
Administration & corporate		(573)	(471)	(2,615)	(2,582)
Occupancy & utilities		(351)	(327)	(1,480)	(1,108)
Clinical trials		(1,125)	(2,942)	(5,677)	(5,721)
Drug development		(1,436)	744	(3,036)	(1,502)
Sales, marketing & distribution		(46)	(161)	(305)	(755)
Safety, medical and regulatory affairs		(352)	(442)	(1,437)	(1,646)
Manufacturing purchases, changes in inventory		(794)	120	(2,706)	(2,729)
Other		(130)	(6)	(521)	(520)
Depreciation & amortisation		(142)	(913)	(1,848)	(3,238)
Foreign currency exchange gains & losses		97	(223)	610	(1,110)
Finance costs		(36)	13,699	(223)	13,456
Total expenses		(7,831)	6,547	(30,575)	(17,849)
Net profit (loss) before tax		(1,334)	12,194	(11,270)	(1,934)
Income tax credit/(expense)		-	-	-	-
Net profit (loss) after tax		(1,334)	12,194	(11,270)	(1,934)

Summary balance sheets

A\$'000 (unaudited)	30-Jun-23	30-Jun-22
Assets		
Cash	9,230	8,937
R&D tax incentive	5,193	4,900
Accounts receivable	3,584	3,238
Inventory	1,641	2,337
PP&E	1,591	3,212
Other	2,211	2,562
	23,450	25,186
Liabilities		
Accounts payable and accrued expenses	2,675	1,461
Lease liability (Frenchs Forest facility)	2,043	4,290
Financing agreement (not repayable other than as a % of US Bronchitol revenue)	6,603	6,196
Deferred grant revenue	939	-
Other liabilities	1,630	2,435
	13,890	14,382
Net Assets	9,560	10,804

Authorised for release to the ASX by Pharmaxis Ltd Disclosure Committee.

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