

# HEXIMA LIMITED

## ASX ANNOUNCEMENT



1 November 2021

### COMPLETION OF \$10 MILLION INSTITUTIONAL PLACEMENT

- ***Binding commitments from new and existing sophisticated and institutional investors to raise \$10 million via a two-tranche placement***
- ***Added new healthcare-focused institutional investors to register***
- ***Share purchase plan (SPP) to be offered to eligible shareholders in Australia and New Zealand to raise up to a further \$1 million***
- ***Proceeds to support US and international growth plans and phase III preparations***

**MELBOURNE, AUSTRALIA (1 November 2021):** Hexima Limited (Hexima) (ASX:HXL) a clinical stage biotechnology company developing pezadeftide (formerly HXP124), as a potential new prescription topical treatment for onychomycosis, is pleased to announce that it has completed the bookbuild for a placement to raise \$10.0 million (**Placement**). In addition, Hexima proposes to launch a share purchase plan for Eligible Shareholders in Australia and New Zealand (**SPP**) to raise up to a further \$1.0 million.

The new ordinary shares (**Shares**) to be issued in the **Placement** and **SPP** will rank equally with existing Hexima Shares.

Michael Aldridge, Managing Director & CEO of Hexima said, “We have been very pleased with the support of our existing Shareholders and with the quality of healthcare-focused institutional investors that we have added to our register.

“We remain on track to deliver results from our ongoing phase IIb clinical trial in Q2 2022. This capital will accelerate our development plans for pezadeftide into US and international markets, allowing us to immediately initiate preparations for our phase III trials, which we expect to commence in Q4 2022, and potentially adds another development program to our pipeline” Michael added.

#### PLACEMENT

The Placement is an issue of new Shares to institutional and sophisticated investors in two tranches at an issue price of \$0.32 per new Share (representing a 14.6% discount to the volume weighted average price (**VWAP**) of Hexima’s Shares traded on ASX over the 15 days up to and including 27 October 2021).

The Placement comprises:

- the issue of 19,600,000 new Shares via Hexima’s available placement capacity under ASX Listing Rule 7.1 (**Tranche 1 Shares**); and
- the issue of 11,650,000 new Shares, conditional on Hexima’s shareholders (**Shareholders**) approving the issue for the purposes of ASX Listing Rule 7.1 at Hexima’s Annual General Meeting to be held on Thursday, 2 December 2021 (**Tranche 2 Shares**).

The Tranche 1 Shares are expected to be issued on Friday, 5 November 2021. Subject to Shareholder approval for the Tranche 2 Shares, the Tranche 2 Shares are expected to be issued on Thursday, 9 December 2021.



# ASX ANNOUNCEMENT

The Placement received strong support from new and existing institutional and sophisticated investors. The funds raised from the Placement will be used to accelerate Hexima's business plans, particularly into the US and other international markets by:

- completing the preparation and submission of an IND Application to FDA and conduct a clinical safety study in the US;
- finalising all development including: clinical, manufacturing, toxicology and CompliancePak packaging unit and mobile app necessary prior to initiating a phase III clinical trial program;
- securing executives and expertise with the necessary experience to conduct late-stage product development in the US market;
- evaluating the option for Hexima to raise capital in the future on attractive terms with US and international investors; and
- exploring the potential for pezadeftide or one of its related defensin class peptides to be an attractive follow-on product candidate to treat localized fungal infections (in addition to onychomycosis).

Hexima remains on track to complete its ongoing phase IIb clinical trial of pezadeftide as a topical therapy for onychomycosis and to announce the results of that trial in Q2 2022.

Wilsons Corporate Finance Limited and Canaccord Genuity (Australia) Limited acted as joint lead managers and bookrunners for the Placement. The Placement is not underwritten.

## SHARE PURCHASE PLAN

Following completion of the issue of the Tranche 1 Shares, Hexima will conduct an offer of new Shares under the SPP to existing Shareholders with a registered address in Australia and New Zealand as at 7:00pm (Sydney time) on Friday, 29 October 2021, and who are not in the United States or acting on account or benefit of a person in the United States (**Eligible Shareholders**).

The SPP will provide each Eligible Shareholder with the opportunity to apply for up to \$30,000 in new Shares without brokerage fees. The issue price under the SPP will be the same issue price as the Placement at \$0.32 per Share.

The SPP will be capped at \$1.0 million. Hexima will scale back applications on a pro-rata basis if total demand exceeds \$1.0 million.

Eligible Shareholders wishing to participate in the SPP should carefully read the SPP Offer Booklet and accompanying form, which are expected to be dispatched on or around Monday, 8 November 2021. A copy of the SPP Offer Booklet will also be available on the ASX website.

# HEXIMA LIMITED

## ASX ANNOUNCEMENT



### KEY DATES FOR CAPITAL RAISING\*

Record date for SPP	7:00pm Friday, 29 October 2021
Placement and SPP announced to ASX	Monday, 1 November 2021
Settlement of new Tranche 1 Shares	Thursday, 4 November 2021
Allotment and normal trading of Tranche 1	Friday, 5 November 2021
Dispatch of the SPP Offer Booklet and SPP Opening Date	Monday, 8 November 2021
SPP Closing Date	Monday, 22 November 2021
Allotment of new Shares under SPP	Friday, 26 November 2021
SPP Shares commence trading on ASX	Monday, 29 November 2021
Dispatch of holding statements to SPP participants	Monday, 29 November 2021
Annual General Meeting	Thursday, 2 December 2021
Settlement of new Tranche 2 Shares	Wednesday, 8 December 2021
Allotment and normal trading of Tranche 2 Shares	Thursday, 9 December 2021

*\*Please note, these dates are indicative and subject to change without notice. Dates and times refer to Sydney, Australia time.*

**This announcement is authorised for release to ASX by Michael Aldridge, Managing Director & CEO**

#### **Enquiries:**

Dr Nicole van der Weerden  
Chief Operating Officer  
[n.vanderweerden@hexima.com.au](mailto:n.vanderweerden@hexima.com.au)

***To join our email database and receive company announcements please [click here](#)***

### **ABOUT HEXIMA**

Hexima (ASX:HXL) is a clinical stage, anti-infectives focused biotechnology company engaged in the research and development of defensin peptides for applications as human therapeutics. Our lead product candidate, pezadeftide (HXP124) applied in a topical formulation, is a potential new prescription treatment for toenail fungal infections (or onychomycosis). Hexima is currently conducting an Australian phase IIb clinical trial testing pezadeftide for the treatment of onychomycosis. Hexima holds granted, long-life patents protecting pezadeftide in major markets globally. For additional information please visit [www.hexima.com.au](http://www.hexima.com.au). You can also find us on [Twitter](#) and [LinkedIn](#) or email us at [info@hexima.com.au](mailto:info@hexima.com.au).

### **ABOUT ONYCHOMYCOSIS**

Onychomycosis is a common fungal nail infection in the nail plate and nail bed. Prevalence of onychomycosis has been estimated at between 10% (Japan) and 13.8% (USA).<sup>1</sup> Onychomycosis is an infectious disease and is difficult to treat with a significant healthcare burden. It causes pain in approximately 50% of patients and in the US results in close to four doctor's visits annually for treatment.<sup>2</sup> Onychomycosis impacts a patient's quality of life with 51% unable to wear the shoes they would prefer and 66% distressed by the appearance of their nail.<sup>3</sup> It is important to treat onychomycosis as the fungi in the nail can be a source of secondary infection in other areas of the body or infect family members and spread to the environment.

Onychomycosis is the most common nail disorder accounting for 50% of all nail diseases. It is particularly prevalent in older, diabetic and immune compromised populations.<sup>2</sup> The global market for treatments for onychomycosis was approximately US\$3.7 billion in 2018.<sup>4</sup>



# ASX ANNOUNCEMENT

## TREATMENT OF ONYCHOMYCOSIS

Approved prescription therapies for onychomycosis comprise either oral or topical medications. Oral medications are associated with adverse effects such as nausea, taste disturbance, and flatulence. They can also severely impact liver function and so often require liver function monitoring. The clinical and commercial success of topical medications has been constrained by an inability of anti-fungal agents to effectively penetrate the human nail and the lack of sufficient anti-fungal activity when in contact with the target pathogen.<sup>5</sup>

## HEXIMA'S APPROACH

Hexima embraces the significant challenge of new product development for onychomycosis. Hexima has taken a very different approach, building on its many years of ground-breaking research into the evolutionary tools that plants use naturally to fight fungal infections. The result is pezadeftide, a new topical treatment for onychomycosis, with a novel and powerful fungicidal mode of action.

Historically, therapies for onychomycosis have generally focused on new forms of the azole class of antifungal agents or improving the topical delivery of systemic antifungal agents. Hexima's technology is a completely novel approach with fundamental differences that address the well-documented limitations of these traditional technologies.

Pezadeftide penetrates the nail more effectively than existing topical treatments and so can more readily target the fungal cells which proliferate in the nail bed. It is also more effective at rapidly killing fungal cells on contact. Together, these properties mean that pezadeftide has the potential to resolve the fungal infection more quickly, leading to faster and more complete clearing of the infected nail area. Consequently, pezadeftide offers the promise to capture significant value in a large and poorly served market.

## FORWARD-LOOKING STATEMENTS

This announcement contains or may contain forward-looking statements that are based on Hexima's management's beliefs, assumptions and expectations and on information currently available to management. All statements that address operating performance, events or developments that we expect or anticipate will occur in the future are forward-looking statements. These include, without limitation, commercial market acceptance and sales of our product as well as our expectations with respect to our ability to develop and commercialise new products. Management believes that these forward-looking statements are reasonable when made. You should not place undue reliance on forward-looking statements because they speak only as of the date when made. Hexima does not assume any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Hexima may not actually achieve the plans, projections or expectations disclosed in forward-looking statements. Actual results, developments or events could differ materially from those disclosed in the forward-looking statements.

---

<sup>1</sup> Tatchibana et al., Journal of Fungi, 2017

<sup>2</sup> Joseph et al, Supplement to Podiatry Today, 2013

<sup>3</sup> Milobratovic et al., Mycoses, 2013

<sup>4</sup> Persistence Market Research 2018

<sup>5</sup> Wang et al., Onychomycosis: Diagnosis and Effective Management, 2018