



Tuesday, 30 August 2022

LETTER TO SHAREHOLDERS

Dear Shareholder,

Hexima today releases its Appendix 4E Preliminary Final Report and financial results for FY2022.

In June, Hexima announced the results of its phase II clinical study of pezadeftide (HXP124) for the treatment of onychomycosis (HXP124-ONY-002). Unfortunately, the results of the trial did not support the Company's goal of developing a safe, more effective and convenient topical therapy with a shorter course of treatment. As a result, Hexima commenced a process of winding down its research and development activities for pezadeftide.

Hexima is continuing the process of winding down its research and other operations, while seeking to protect its residual cash resources. In doing so, the Board's objective is to preserve the value of the Company and its intellectual property for the benefit of shareholders. Following the steps that have been taken to date, Hexima expects to have cash and receivables of between \$2.0 and \$2.7M, and no other material tangible assets or liabilities, once current operations are finalised in Q4 2022. This includes Hexima's FY2023 R&D Tax Incentive rebate receivable of approximately \$0.4M.

Hexima's ongoing strategy is to actively explore opportunities for transactions with third parties which could enable the potential value of the Company's assets, including its intellectual property and other intangible assets, to be realised. As opportunities are identified, Hexima is entering into preliminary discussions with relevant parties. However, given the early stage of development of these opportunities, there can be no certainty that a transaction will proceed or an agreement will be reached on terms acceptable to Hexima and its shareholders. It is likely that there will be additional costs associated with any proposed transaction or windup which will be committed out of Hexima's cash resources. These costs cannot be quantified at this time. However, Hexima is considering the appropriate management and Board composition to effectively and efficiently facilitate any transaction in a cost-effective manner.

Sincerely

Jonathan West
Non-Executive Chairman

This announcement is authorised for release to ASX by the Board of Directors.

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This letter contains or may contain forward-looking statements that are based on 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.

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 projections or expectations disclosed in forward-looking statements. Actual developments or events could differ materially from those disclosed in the forward-looking statements.

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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. For additional information please visit www.hexima.com.au. You can also find us on [Twitter](#) and [LinkedIn](#) or email us at info@hexima.com.au.