

Medexus Pharmaceuticals Inc

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Medexus Pharmaceuticals sees steady growth across key product lines as it updates on IXINITY acquisition

Medexus Pharmaceuticals Inc (CVE:MDP) (OTCQB:PDDPF) told investors that the acquisition of hematology asset IXINITY had been highly accretive to the firm in its fiscal fourth quarter and that it was well positioned to emerge stronger when the economy reopens after the coronavirus (COVID-19) crisis.

The firm closed its acquisition of Aptevo BioTherapeutics LLC, which owns the worldwide rights to IXINITY from Nasdaq-listed Aptevo Therapeutics Inc, on February 28 this year and integration of the product is progressing as expected.

READ: Medexus Pharmaceuticals secures US\$20M credit facility, pays off term loan

Medexus sees significant further growth potential for sales as it leverages its expanded sales force in the US. To that end, Michael Adelman, from Aptevo, has been appointed general manager of Medexus' US operations.

Medexus said its fiscal fourth quarter ended March 31, 2020, included two months of pre-acquisition sales and one month post-acquisition.

Preliminary unaudited sales estimates for IXINITY during the fiscal fourth quarter was US\$8.3 million, representing an 18.5% year-over-year increase, noted Medexus.

"Approximately 85% of those IXINITY sales accrued to the benefit of Medexus post-acquisition and as such, the addition of IXINITY was highly accretive to Medexus for the quarter," it added.

The revenues from IXINITY for March 2020 are in line with Medexus' expectations, it added.

On May 7, Medexus announced the completion of a financing deal with MidCap Financial Trust on a secured 38 month revolving credit facility.

The ABL Facility features a US\$20 million revolving commitment and uncommitted US\$10 million accordion. The financing package allowed Medexus to finance the acquisition without issuing further shares, it said.

On the pandemic, Medexus said it continues to address operational challenges posed by the virus but it has largely been successful in conducting business as usual.

So far, no employees have reported testing positive for the COVID-19 virus, said the company.

"Medexus' business remains strong and is well positioned to emerge even stronger as the economy reopens," Medexus chairman Peter van der Velden said in a statement.

Price: 2.81

Market Cap: \$39.5 m

1 Year Share Price Graph



Share Information

Code: MDP

Listing: TSX-V

52 week High Low
5 1.42

Sector: Pharma & Biotech

Website: www.medexusinc.com

Company Synopsis:

Medexus is a leading specialty pharmaceutical company with a strong North American commercial platform. The Company's vision is to provide the best healthcare products to healthcare professionals and patients, through our core values of Quality, Innovation, Customer Service and Teamwork. Medexus Pharmaceuticals is focused on the therapeutic areas of auto-immune disease, pediatrics, and specialty oncology.

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"We continue to generate steady growth across our key product lines and, despite the disruption from the COVID-19 pandemic, our sales teams have continued to be remarkably productive by finding new ways to connect creatively and productively with clinicians and patients.

"As much of our portfolio is used to treat chronic conditions, we continue to see strong demand for our products, including our new hematology product, IXINITY. While continuing to be very disciplined about how we manage our cash, we are excited about the expanding list of compelling business development opportunities our team is evaluating."

Shares in Toronto added over 12% at C\$2.81 each.

---Updates for share price---

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