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## News Release

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### **Microbix Reports Record Product Sales for Q4 and Fiscal 2024**

#### **Full-Year Revenues of \$25.4 million and Net Income of \$3.5 million**

**MISSISSAUGA, CANADA, December 19, 2024** - Microbix Biosystems Inc. (TSX: MBX, OTCQX: MBXBF, Microbix®), a life sciences innovator, manufacturer, and exporter, reports results for its fiscal year and fourth quarter ended September 30, 2024 (“2024” and “Q4”) with record revenues, reflective of ongoing progress to increase sales from its diagnostic-test related ingredients and devices businesses and that resulted in material net income for 2024 and Q4.

#### **Management Discussion**

Results for Q4 and 2024 show robust growth in sales of Microbix’s test ingredients (“Antigens”) and test quality assessment products (“QAPs™”), which were collectively up by 42% for 2024 versus prior year and 48% for Q4 versus prior year. The resulting 2024 revenues of C\$25.4 million led to net earnings of \$3.5 million – records for both metrics. Microbix believes sales growth will continue for Antigens and QAPs, alongside good progress of Kinlytic® urokinase toward FDA re-approval and re-launch in the U.S. market.

#### **Year ending September 30, 2024 (“2024”)**

2024 revenues were \$25,394,148, a significant increase from fiscal 2023 revenues of \$16,514,776, due to \$4,086,660 in Kinlytic license fees being recorded in Q1 2024, paired with strong growth in its core and recurring lines of business. Notably, Antigen sales grew by 44% to \$13,813,568 (2023 - \$9,594,237), while QAPs grew by 38% to \$7,015,820 (2023 - \$5,087,321). Revenue from royalties was relatively flat at \$478,100 (2023 - \$482,701).

2024 gross margin percentage was 61%, up from fiscal 2023 gross margin percentage of 45%. Gross margins were positively impacted by Kinlytic licensing fees and improved product margins for our Antigens business due principally to process improvements and product mix.

Operating and finance expenses for the year increased by 11% versus 2023. Operating and finance expenses increased due to agent fees related to the Kinlytic transaction in Q1, continued investment in our IT infrastructure, and investment in R&D projects to support growth of the business.

Increased sales in our Antigen and QAPs businesses, increased Kinlytic licensing fees, and higher gross margin dollars led to an operating income (before finance expenses and income taxes) of \$3,905,011 and a net income of \$3,520,179 versus a 2023 operating loss of \$2,736,432 and net loss of \$39,483. Cash provided by operating activities was \$4,347,620, compared to cash used in operating activities of \$1,094,561 in 2023.

At the end of 2024, Microbix’s current ratio (current assets divided by current liabilities) was 7.15 and its debt-to-equity ratio (total debt over shareholders’ equity) was 0.35.

## Quarter ending September 30, 2024 (“Q4”)

Q4 revenue was \$6,293,897, a 48% increase from Q4 2023 revenues of \$4,264,229. Included were antigen revenues of \$4,471,960 (2023 - \$2,977,179), up 50% from last year. QAPs revenues of \$1,698,335 were up 42% from Q4 2023 (2023 - \$1,195,231), due to strong performance from our PTDX<sup>®</sup>, PROCEEDx<sup>®</sup> and REDx<sup>™</sup> QAPs products. Revenue from royalties were \$123,603 (2023 - \$91,820). In summary, our Q4 sales growth result has been driven by significant progress across both our Antigens and QAPs businesses.

Q4 gross margin percentage was 55%, up from 33% in 2023, primarily due to a more favourable Antigen product mix, increased QAPs revenues, and a lower rate of Antigen batch failures this year.

Operating and finance expenses in Q4 increased by 14% relative to Q4 2023, principally due to amortization relating to the Kinlytic intangible asset which began at the end of fiscal 2023, and increased consulting costs. Our financing costs also increased versus prior year, due to lower interest income as a result of lower interest rates on our short-term investments.

Overall, strong Q4 revenues and stronger margins led to an operating income (before finance expenses and income taxes) of \$710,778, and a net income of \$440,324 versus a Q4 2023 operating loss of \$990,563 and net income of \$1,997,273 after adjusting for the reversal of the impairment of the Kinlytic intangible asset. Cash provided by operating activities was \$765,930, compared to cash used in operating activities of \$2,158,174 in 2023.

### FINANCIAL HIGHLIGHTS

	For the years ended September 30		For the quarter ended September 30	
	2024	2023	2024	2023
Total Revenue	\$ 25,394,148	\$ 16,514,776	\$ 6,293,897	\$ 4,264,229
Gross Margin	15,391,701	7,481,334	3,450,346	1,425,194
S,G&A Expenses	9,361,307	8,171,026	2,157,106	1,851,021
R&D Expense	2,125,382	2,046,740	582,462	564,736
Operating Income (Loss) before Reversal of Impairment of Long Term Asset and Finance Expenses	3,905,011	(2,736,432)	710,778	(990,563)
Reversal of Impairment of Long Term Asset	-	(3,078,585)	-	(3,078,585)
Finance Expenses	234,269	381,636	119,890	90,749
Income Tax Expense	150,563	-	150,563	-
Net Income (Loss) and Comprehensive Income (Loss) for the period	3,520,179	(39,483)	440,324	1,997,273
Net Comprehensive Income (Loss) per share	0.026	(0.000)	0.003	0.014
Cash Provided (Used) by Operating Activities	4,347,620	(1,796,539)	765,930	(2,158,174)
Cash	12,963,339	11,606,487		
Accounts receivable	4,161,448	4,119,771		
Total current assets	24,259,962	22,302,006		
Total assets	38,096,767	35,653,024		
Total current liabilities	3,394,822	4,349,942		
Total liabilities	9,799,340	11,028,537		
Total shareholders' equity	28,297,428	24,624,487		
Current ratio	7.15	5.13		
Debt to equity ratio	0.35	0.45		

### Corporate Outlook

Microbix will continue driving sales growth across all of its business lines, while working to keep improving percentage gross margins, and delivering bottom-line results. Management currently expects Microbix to generate meaningful year-over-year growth in revenues across full-year fiscal 2025.

Furthermore, at 11:00 AM ET on Thursday December 19<sup>th</sup>, Microbix intends to hold a webinar discussion of Q4 and 2024 results with its CEO, CFO, and COO.

Investor and shareholders can participate in the webinar, hosted by Adelaide Capital, by registering at: [https://us02web.zoom.us/webinar/register/WN\\_-iYkOhR\\_SeWwzGxUmbPjRw](https://us02web.zoom.us/webinar/register/WN_-iYkOhR_SeWwzGxUmbPjRw). It will also be live-streamed to YouTube at: [https://www.youtube.com/channel/UC7Jpt\\_DWjF1qSCzfKlpLMWw](https://www.youtube.com/channel/UC7Jpt_DWjF1qSCzfKlpLMWw).

A replay of the webinar will also be made available on Adelaide Capital's YouTube channel.

### **About Microbix Biosystems Inc.**

Microbix Biosystems Inc. creates proprietary biological products for human health, with over 100 skilled employees and revenues now targeting C\$ 2.0 million or more per month. It enables the worldwide commercialization of diagnostic assays by making a wide range of critical ingredients and devices for the global diagnostics industry, notably antigens for immunoassays and its laboratory quality assessment products (QAPs™) that support clinical lab proficiency testing, enable assay development and validation, or help ensure the quality of clinical diagnostic workflows. Its antigens drive the antibody tests of approximately 100 diagnostics makers, while QAPs are sold to clinical lab accreditation organizations, diagnostics companies, and clinical labs. Microbix QAPs are now available in over 30 countries, supported by a network of international distributors. Microbix is ISO 9001 & 13485 accredited, U.S. FDA registered, Australian TGA registered, Health Canada establishment licensed, and provides IVDR-compliant CE marked products.

Microbix also applies its biological expertise and infrastructure to develop other proprietary products and technologies, most notably Kinlytic® urokinase, a biologic thrombolytic drug used to treat blood clots, and reagents or media to support molecular diagnostic testing (e.g., its DxTM™ for patient-sample collection). Microbix is traded on the TSX and OTCQX, and headquartered in Mississauga, Ontario, Canada.

### **Forward-Looking Information**

This news release includes “forward-looking information,” as such term is defined in applicable securities laws. Forward-looking information includes, without limitation, discussion of financial results or the outlook for the business, risks associated with its financial results and stability, its current or future products, development projects such as those referenced herein, sales to foreign jurisdictions, engineering and construction, production (including control over costs, quality, quantity and timeliness of delivery), foreign currency and exchange rates, maintaining adequate working capital and raising further capital on acceptable terms or at all, and other similar statements concerning anticipated future events, conditions or results that are not historical facts. These statements reflect management's current estimates, beliefs, intentions, and expectations; they are not guarantees of future performance. The Company cautions that all forward looking information is inherently uncertain, and that actual performance may be affected by many material factors, some of which are beyond the Company's control. Accordingly, actual future events, conditions and results may differ materially from the estimates, beliefs, intentions, and expectations expressed or implied in the forward-looking information. All statements are made as of the date of this news release and represent the Company's judgement as of the date of this new release, and the Company is under no obligation to update or alter any forward-looking information.

Please visit [www.microbix.com](http://www.microbix.com) or [www.sedarplus.ca](http://www.sedarplus.ca) for recent Microbix news and filings.

For further information, please contact Microbix at:

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