



Microbix Reports Results for Q4 and Fiscal 2025

Full-Year Revenues of \$18.6 million and Net Loss of \$2.2 million

MISSISSAUGA, Ontario, Dec. 18, 2025 -- 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, 2025 ("2025" and "Q4") with revenues for those periods reflecting reduced antigen sales into China and cancellation of a client instrument and assay development program.

Management Discussion

Microbix added to both its capabilities and capacity across 2025, improving manufacturing processes, adding new products, and expanding its base of ongoing client relationships. However, setbacks relating to two clients (our distributor into China and a point-of-care assay-maker) overshadowed our broader progress – Resulting in reduced revenues through the second-half of 2025. Microbix is now hard at work adding new products, programs, and clients to rebuild revenues beyond its quarterly breakeven point.

Year ending September 30, 2025 ("2025")

2025 revenues were \$18,585,366, a 27% decrease from 2024 revenues of \$25,394,148. Included in 2025 revenues were antigen revenues of \$12,368,757 (2024 - \$13,813,568), down 10% due to a decline in sales into China believed mainly due to fewer respiratory infections this past winter. QAPs revenues of \$5,617,834 were down 20% from 2024 (\$7,015,820), due to cancellation of test-development programs by a large client. Revenue from royalties were up 15% to \$598,775 (2024 - \$478,100). In summary, our 2025 sales decrease resulted from the lack of Kinlytic license payments (\$4,086,660 in fiscal 2024), decreased antigen sales into China, and the cancellation of programs with a QAPs client.

2025 gross margin percentage was 53%, down from 61% last year. Lower 2025 gross margin was primarily driven by fixed manufacturing costs needing to be absorbed across fewer units of production and the lack of Kinlytic-related licensing payments, followed by a somewhat less-favourable product mix.

Operating expenses (including finance expenses) in 2025 increased by 4% relative to 2024, due to lower investment income on short-term cash equivalents, coupled with a favourable debt-modification interest impact in 2024 that did not recur in 2025. In addition, our investment in trade show activity and R&D project spending on QAPs increased during fiscal 2025.

Overall, lower 2025 revenues, reduced margins, and increased operating expenses led to a net loss of \$2,245,812 versus 2024 net income of \$3,520,179. Cash used in operating activities was \$80,287, compared to cash provided of \$4,347,620 in 2024. Cash used in operating activities was influenced by use of funds in non-cash working capital accounts, most notably (i) increased inventory relating to product portfolio expansion, and (ii) lower accounts payable reflective of reduced activity with the previously-cited two clients. Cash and equivalents at September 30, 2025 remained strong at \$12.1 million.

At the end of 2025, Microbix's current ratio (current assets divided by current liabilities) was 8.48 and its debt to equity ratio (total debt over shareholders' equity) was 0.35.

Quarter ending September 30, 2025 ("Q4")

Q4 revenue was \$3,744,317, a 41% decrease from Q4 2024 revenues of \$6,293,897. Included were antigen sales of \$1,952,332 (2024 - \$4,471,960), down 55% from last year. This decrease was a result of weaker sales to our China distributor and timing of shipments to a large European customer. QAPs revenues of \$1,610,189 were down 5% from Q4 2024 (2024 - \$1,698,335), due to fewer sales of branded products during the quarter. Revenue from royalties were \$181,796 (2024 - \$123,603).

Q4 gross margin percentage was 40%, down from 55% in 2024, primarily due to decreased sales, fixed manufacturing costs needing to be absorbed across fewer produced units, and a less favorable sales mix.

Operating expenses (including finance expenses) in Q4 increased by 7% relative to Q4 2024, principally due increased sales & marketing and R&D costs. In addition, our financing costs increased versus prior year, due to lower interest income as a result of lower interest rates on our short-term investments.

Overall, weaker Q4 revenues and decreased margins led to an operating loss (before finance expenses and income taxes) of \$1,368,074, and a net loss of \$1,480,662 versus a Q4 2024 operating income of \$590,887 and net income of \$440,324. Q4 cash provided by operating activities was \$83,953, compared to cash provided by operating activities of \$765,930 in 2024.

FINANCIAL HIGHLIGHTS

	For the years ended September 30		For the quarter ended September 30	
	2025	2024	2025	2024
Total Revenue	\$ 18,585,366	\$ 25,394,148	\$ 3,744,317	\$ 6,293,897
Gross Margin	9,853,570	15,391,701	1,514,762	3,450,346
S,G&A Expenses	9,102,060	9,369,544	2,297,729	2,139,491
R&D Expense	2,327,663	2,125,382	624,036	582,462
Foreign Exchange (Gain) Loss	129,490	(8,237)	(38,930)	17,615
Financial Expenses	595,894	234,269	168,314	119,890
Operating Income (Loss) for the period	(2,301,538)	3,670,742	(1,536,388)	590,887
Income Tax Expense	(55,726)	150,563	(55,726)	150,563
Net Income (Loss) and Comprehensive Income (Loss) for the period	(2,245,812)	3,520,179	(1,480,662)	440,324
EPS - Basic	\$ (0.016)	\$ 0.026	(0.011)	0.003
- Diluted	\$ (0.016)	\$ 0.026	(0.011)	0.003
Cash Provided (Used) by Operating Activities	(80,286)	4,347,620	83,955	765,930
As at	September 30, 2025	September 30, 2024		
Cash	12,112,760	12,963,339		
Accounts receivable	1,610,509	4,161,448		
Total current assets	23,574,891	24,259,962		
Total assets	37,409,933	38,096,767		
Total current liabilities	2,778,953	3,394,822		
Total liabilities	9,622,391	9,799,339		
Total shareholders' equity	27,787,542	28,297,428		
Current ratio	8.48	7.15		
Debt to equity ratio	0.35	0.35		

Corporate Outlook

Microbix is aggressively pursuing new client programs and new clients, while continuing to add to its portfolio of products and services. It thereby intends to continue driving sales growth across all of its business lines, while also improving percentage gross margins and working to deliver bottom-line results. Microbix's goal is to create meaningful and sustained shareholder value within both its diagnostics-oriented business and its fully-funded Kinlytic® urokinase drug program.

Furthermore, at 10:00 AM ET on Thursday December 18th, Microbix intends to hold a webinar discussion of Q4 and 2025 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_uKFYZc_DTZinjJoUP46rcA. It will also be live-streamed to YouTube at: 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 120 skilled employees and revenues of C\$ 18.5 million in its latest fiscal year (2025). It makes a wide range of critical ingredients and devices for the global diagnostics industry, notably antigens for immunoassays and its laboratory quality assessment products (QAPs™) and reference materials (QUANTDx™) 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 or QUANTDx 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 medial to support

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 Microbix’s business and business results, goals or outlook, risks associated with financial results and stability, development projects such as those referenced in its corporate presentation, regulatory compliance and approvals, 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 a number of material factors, many 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 except as required by applicable law.

Please visit www.microbix.com or <https://www.sedarplus.ca> for recent Microbix news and filings.

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