Quarterly Shareholder Update – March 2023

Dear Shareholder,

Whether you are new to our register or a valued long term supporter, it is an exciting time to be part of the Pharmaxis journey approaching what promises to be amongst the most eventful months in the company's history. We have used a combination of cash from investors, commercial partners and government grants to develop a pipeline of drugs with potential to positively change the lives of patients with conditions that are currently not well served. Many years of hard work, that would not have been possible without your support, will culminate in this quarter as we review data from two studies designed to test the clinical and commercial value of our two lead assets; PXS-5505 and PXS-6302. The achievements in this last quarter set the scene:

- **Encouraging feedback from the FDA on progressing PXS-5505 in myelofibrosis**
  Our phase 2 trial in the bone marrow cancer, myelofibrosis, is not yet fully recruited but based on the encouraging safety and efficacy data we were seeing from this open label study we decided not to wait until completion and approached the FDA to ask their opinion on next steps. We specifically wanted their view on combining PXS-5505 with the current standard of care in myelofibrosis; a JAK inhibitor called ruxolitinib. The FDA's feedback was encouraging and prompted us to accelerate plans for an additional arm in the current monotherapy study. This will allow us to take advantage of the already open trial sites and fast track the study to produce the kind of data that has resulted in recent multi-million dollar partnering transactions in the blood cancer market. Pharmaxis will announce more details on the upcoming study in the next quarter but in the meantime, you should also expect the release of more completed patient data from the monotherapy arm of the study where 21 patients are now recruited.
- **PXS-6302 trial in established scars reaches full recruitment**
  The last patient recruited in the established skin scar study being run by Professor Fiona Wood AM and her team in Perth received the final dose of PXS-6302 at the end of the March quarter. In all, 50 patients received either active drug or placebo cream for three months, applying it to an existing scar that had to be a minimum of 10cm^2 in area and more than one year old. The final data collation is now being undertaken and we look forward to seeing the topline results in Q2 2023. These will be a mixture of safety (how well the drug has been tolerated over the duration of the study) and efficacy readouts such as the structure and appearance of the scar tissue.

It promises to be a busy few months and I look forward to communicating positive news in the upcoming quarter.

Gary Phillips - Chief Executive Officer

Products and Pipeline at a glance

Disease/target	Drug	Status
Cystic fibrosis	Bronchitol	Approved
Asthma	Aridol	Approved
Neuro inflammation - iRDB (SSAO/MAOB inhibitor)	PXS-4728	Phase 2 start up
Myelofibrosis (oral pan-LOX inhibitor)	PXS-5505	Phase 2a ongoing
Scarring (Topical pan-LOX inhibitor)	PXS-6302	Phase 1c IIS fully recruited
Chronic fibrotic diseases (LOXL2 inhibitor)	PXS-5382	Phase 1 completed

Drug discovery

Oral pan-LOX inhibitor program (PXS-5505) in myelofibrosis

Pharmaxis' primary drug development initiative is its pan-Lysyl Oxidase (pan-LOX) inhibitor program focussed on the rare blood cancer, myelofibrosis. PXS-5505 is an orally taken drug that inhibits the lysyl oxidase family of enzymes and was developed from the Company's amine oxidase chemistry platform. In pre-clinical models of myelofibrosis, PXS-5505 reversed the bone marrow fibrosis that drives morbidity and mortality and reduced many of the abnormalities associated with this disease.

Myelofibrosis is a cancer with a poor prognosis and limited therapeutic options. Pharmaxis believes that the current treatments can be augmented by the concurrent use of a pan-LOX inhibitor. The combination with standard of care should be disease modifying in a market that is conservatively worth US$1 billion per annum.

A phase 1c/2a clinical trial (named MF-101; ClinicalTrials.gov Identifier: NCT04676529), was cleared by the FDA under the Investigational New Drug scheme and commenced dosing in the March quarter of 2021.

The study aims to demonstrate that PXS-5505 is safe and well tolerated as a monotherapy in myelofibrosis patients who are intolerant, unresponsive or ineligible for treatment with approved JAK inhibitor drugs. The trial has additional secondary endpoints to explore the impact of inhibiting lysyl oxidase enzymes on a number of important disease parameters such as bone marrow fibrosis, cytopenia and spleen volume.

In the phase 2a dose expansion stage 24 patients are to be treated twice a day for 6 months. The trial has to date recruited 21 patients. Eight patients have dropped out of the study primarily due to disease progression.

A total of 20 trial sites in Australia, South Korea, Taiwan and the United States are actively recruiting.

Phase 1c highlights

Assessment of the highest dose in the phase 1c study showed inhibition of the target enzymes, LOX and LOXL2, at greater than 90% over a 24-hour period at day 7 and day 28. These levels of LOX and LOXL2 inhibition achieved in myelofibrosis patients exceed the levels seen in preclinical models of myelofibrosis where PXS-5505 caused disease modifying effects with improvements in blood cell count, diminished spleen size and reduced bone marrow fibrosis. PXS-5505 achieves the highest inhibition of lysyl oxidases in this drug class. Read the announcement here.

Interim data

In October 2022 the Company released interim data on the first 6 patients to have completed the full 24 weeks of treatment:

- Primary endpoints:
  - PXS-5505 has been well tolerated with no serious treatment related adverse events reported.
- Secondary endpoints:
  - Excellent pharmacokinetic profile measured in healthy volunteers also present in patients.
  - 2 out of 6 patients show clinically important improvement in symptoms.
  - 5 out of 6 patients show either stable or improved bone marrow fibrosis scores of ≥1 grade.

- 5 out of 6 patients have stable or improved platelet and/or haemoglobin scores
- No reductions were seen in spleen volume

Read more here.

Watch an interview with CEO Gary Phillips outlining the study data here and an online investor briefing on 19 October 2022 here.

The interim data was also the subject of a poster presentation by Pharmaxis at the 2022 American Society of Hematology conference (ASH) in New Orleans in December 2022. The presentation reinforced the conclusion that PXS-5505 continues to exhibit an excellent safety profile with encouraging signs of clinical activity in patients ineligible for a JAK inhibitor.

Read more here.

The Company expects to release additional interim data in the June quarter of 2023.

FDA review – acceleration of plans for combination study with JAK inhibitor

In a recent Type C Meeting review, the FDA examined a package of safety and efficacy information from the current monotherapy trial of PXS-5505 and provided guidance on the number of patients, treatment dosage, study duration and endpoints for a study in combination with a JAK inhibitor as standard of care. Pharmaxis now plans to submit a protocol amendment to global regulators, including the FDA, that will add an arm to the existing study (MF-101) and utilise its existing trial sites. Based on the FDA feedback, it is anticipated that the trial design can be streamlined to initiate the combination arm at the same dose currently used in the monotherapy arm and commence later this year.

The agreement with the FDA to expand the patient population in the ongoing phase 2 study to include those patients currently on a JAK inhibitor is an important step forward in realising the benefits of lysyl oxidase inhibition for all myelofibrosis patients and in maximising the commercial opportunity for PXS-5505. The Company is already in discussion with the existing trial site investigators who have welcomed the opportunity to extend the patient population for the study and anticipate significantly accelerated recruitment.

PXS-5505 was granted Orphan Drug Designation by the US Food and Drug Administration (FDA) in July 2020.

A presentation at our R&D Showcase Webinar in March by Dr Gabriela Hobbs (Massachusetts General Hospital) on the myelofibrosis landscape and MF-101 can be seen here.

Oral pan-LOX inhibitor program (PXS-5505) in myelodysplastic syndrome (MDS)

MDS comprises a group of blood cancers that share clinical and pathologic features with acute myeloid leukemia (AML). MDS occurs most commonly in older adults with an annual incidence thought to be as high as 75 cases/100,000.

Patients with MDS are at risk of symptomatic anaemia, infection, bleeding, and transformation to AML. The current standard of care for high risk MDS is treatment with hypomethylating agents (HMAs) such as 5-AZA and decitabine. Although approximately 50% of MDS patients initially respond to HMAs, subsequent relapse is almost certain, highlighting an urgent need for compounds that significantly improve the beneficial effects of HMAs.

Pharmaxis has an ongoing preclinical collaboration with University of Heidelberg. A recent issue of Nature Communications published peer-reviewed data from the collaboration investigating the role of lysyl oxidase enzymes in myelodysplastic syndrome (MDS) and the effect of combining 5-azacytidine (5-AZA) with Pharmaxis' pan-lysyl oxidase inhibitor, PXS-5505[1].

Under the guidance of Professor Wolf-Karsten Hofmann and Professor Daniel Nowak, the team at Heidelberg University, Germany reported that:

- All LOX/LOXL genes, except for LOXL1, were significantly overexpressed in bone marrow cells derived from patients with MDS and other related haematological malignancies when compared to healthy controls. This leads to a corresponding increase in lysyl oxidase activity.
- Formation of red blood cells from bone marrow taken from these patients is

significantly restored when treated with PXS-5505 plus 5-AZA in 20/31 cases (65%) versus 9/31 cases (29%) treated with 5-AZA alone.

- The increases in red blood cells were confirmed using a xenograft model with transplanted patient's cells. This study also demonstrated normalization of spleen sizes, a reduction of bone marrow cells with severe mutations as well as significant reduction of disease burden.

The authors conclude that the significant increase in red blood cell production evidenced in their studies makes a strong case for trialing PXS-5505 combined with the current standard of care in MDS patients, especially those who are anaemic.

Professor Nowak said, "This study is one of the first published showing that re-modelling the extracellular matrix and bone marrow microenvironment can induce outstanding improvements of haematopoiesis in these diseases. The results of PXS-5505 in combination with 5-AZA are the best we have ever observed in our pre-clinical models of MDS with primary patient samples. The significant boost in erythropoiesis achieved by adding PXS-5505, allied to its favourable safety profile makes the combination of 5-AZA and PXS-5505 interesting for both high and low risk MDS as well as chronic myelomonocytic leukemia, myelofibrosis and low blast acute myeloid leukemia, filling a significant gap in the current treatment landscape of these diseases."

Read more here.

1. Read the Nature Communication article: Inhibition of lysyl oxidases synergizes with 5-azacytidine to restore erythropoiesis in myelodysplastic and myeloid malignancies | Nature Communications

Oral pan-LOX inhibitor program (PXS-5505) in liver cancer

In research performed by the Wilmot Cancer Institute, University of Rochester, the combination of PXS-5505 and standard of care in preclinical models demonstrated a novel therapeutic strategy for liver cancer. A planned investigator initiated clinical trial by the University of Rochester in hepatocellular carcinoma (HCC) patients will not be progressed at this point as Pharmaxis focusses its resources on haematological malignancies such as MF and MDS. Pharmaxis' collaboration with the research team at University of Rochester continues with further pre-clinical evaluation of Pharmaxis pipeline assets.

Oral pan-LOX inhibitor program (PXS-5505) in other cancers

Pharmaxis' drug also has potential in several other cancers including pancreatic cancer where it aims to breakdown the fibrotic tissue in the tumour and enhance the effect of existing chemo and immunotherapies. Pharmaxis has a number of scientific collaborations with centres of excellence across the world who have shown interest in PXS-5505. The Company aims to support these and encourage the use of PXS-5505 in independent investigator initiated clinical studies wherever possible.

Watch a presentation by Dr Tom Cox (Garvan Sydney) at our R&D Showcase Webinar in March on pancreatic cancer and his preclinical work on PXS-5505 here.

Topical pan-LOX inhibitor program (PXS-6302)

Pharmaxis has a second pan-LOX program that has developed a drug for topical application with the potential for use in scar revision, keloid scarring and scar prevention post-surgery.

The Pharmaxis discovery, PXS-6302, has shown promising pre-clinical results which have been recently published in Nature Communications (https://doi.org/10.1038/s41467-022-33148-5). PXS-6302 inhibits the enzymes that play a critical role in the development of scar tissue and has successfully completed phase 1a/b clinical trials.

Pharmaxis, with the University of Western Australia (UWA) and the Fiona Stanley Hospital, has progressed the program into a trial in established scars and is planning further trials.

A phase 1c trial, known as SOLARIA2, is in 50 adult patients treated for scars of more than one year in age and greater than 10 square centimeters in size for a period of 3 months. The first 8 patients treated were on active drug with the following cohort of 42 which completed recruitment in December randomised 1:1 to active or placebo.

Preliminary results, released in September 2022 from the open label phase with 8 patients treated for up to 3 months on active drug, showed a high level of inhibition of enzymes and changes in biomarkers that are implicated in scarring with study lead Professor Fiona Wood commenting, "We have noted positive changes in appearance and pliability of scars in those patients on active drug that now need to be confirmed by the results from the placebo controlled phase of this trial." Read more here.

The last patient completed treatment in March 2023 and final results are scheduled for Q2 2023 when Pharmaxis hopes to confirm an acceptable safety profile and improvements in scar appearance for patients on active drug relative to those treated with placebo, and evidence that LOX inhibition is modifying scar tissue at a structural and biochemical level.

The Company is working with Professor Wood and her team to design a follow up study that will address the need for objective endpoints to meet anticipated regulatory hurdles in indications that suit the profile of PXS-6302. Read more here.

Watch an interview with CEO Gary Phillips outlining the study data here.

Watch a presentation by Professor Fiona Wood (UWA) and Dr Mark Fear (UWA) at our R&D Showcase Webinar in March on these clinical programs and the science behind them here.

SSAO inhibitor program (PXS-4728) in Parkinson's disease

The Pharmaxis discovery PXS-4728 is a potent inhibitor of the inflammatory enzyme SSAO (semicarbazide-sensitive amine oxidase) and, also in the brain, MAOB (monoamine oxidase B).

Previous research has identified that the development of isolated Rapid Eye Movement Sleep Behaviour Disorder (iRBD), where otherwise healthy people start acting out their dreams, is the strongest predictor for the development of Parkinson's disease and dementia with Lewy Bodies. A recent multicentre study found that over 70% of iRBD patients transitioned to a neurodegenerative disease.

Currently, there are no disease modifying treatments for Parkinson's disease and by the time patients are diagnosed they have already lost a significant number of brain cells. Therefore, targeting patients with iRBD offers an excellent strategy for slowing cell death when it could be most impactful.

Leading charity, Parkinson's UK, is providing £2.9m (~A$5m) to fund a Phase 2 study of PXS-4728 that will examine whether inhibiting both SSAO and MAO-B and thereby reducing inflammation and oxidative stress in the brain of people with iRBD, might provide a viable neuroprotective strategy to prevent iRDB.

Working in collaboration, experts from the University of Sydney and the University of Oxford will recruit 40 patients with iRBD to participate in a placebo-controlled Phase 2 trial to evaluate whether PXS-4728 can reduce neuroinflammation as measured by state of the art nuclear scanning techniques.

PXS-4728 has passed all long term toxicity studies and has been well tolerated in all clinical studies including two Phase 2 studies in other indications.

The funding agreement with Parkinson's UK entails up to £2.9m (~A$5m) to be paid to Pharmaxis to run the Phase 2 trial with advance payments received as the trial progresses. Pharmaxis is providing the study drug and the compound that will be used to measure inflammation in the brain scans of trial participants. The total is expected to cost approximately A$5.8 million. The Parkinson's Virtual Biotech will receive a return of up to four times its funding from royalties on future revenue Pharmaxis receives from commercialising PXS-4728.

Preparations for the clinical study are well advanced with recruitment of the first patient in mid-2023.

Read more here.

LOXL2 inhibitor program (PXS-5382)

The Lysyl Oxidase Like 2 (LOXL2) enzyme is fundamental to the fibrotic cascade that follows chronic inflammation in kidney fibrosis, the liver disease NASH and cardiac fibrosis and idiopathic pulmonary fibrosis (IPF). It also plays a role in some cancers.

The Pharmaxis drug discovery group developed a small molecule inhibitor to the LOXL2 enzyme (PXS-5382) that has completed phase 1 clinical trials and 3-month toxicology studies.

Pharmaxis is currently pursuing a number of different options to enable PXS-5382 to enter the clinic in phase 2 trials in chronic kidney or lung disease and continues discussions with independent investigators in relation to study protocol design and funding options including grants.

Mannitol respiratory business

Bronchitol and Aridol

Bronchitol® (mannitol) is an inhaled dry powder for the treatment of cystic fibrosis (CF). The product is approved and marketed in the United States, Australia, Europe, Russia and several other countries.

Aridol® is an innovative lung function test designed to help doctors diagnose and manage asthma. Aridol is approved for sale in Australia, major European countries, the United States, Canada and South Korea.

Both Bronchitol and Aridol are manufactured at the Pharmaxis facility in Sydney and sold in Australia and internationally by exclusive distributors and wholesalers.

The largest markets for Bronchitol are currently the United States, Russia and Australia. Chiesi is the Company's distributor in the United States as well as Western Europe; GEN Ilac is the distributor for Russia as well as Turkey, and BTC health is the distributor for both Bronchitol and Aridol in Australia.

Bronchitol

Impact of COVID

As discussed in previous updates, all markets have been impacted by COVID, but particularly the US where the launch has been significantly constrained. While the outlook in 2023 remains uncertain, Chiesi continues its commitment to the launch and report improving access to hospitals and clinics. The annual North American Cystic Fibrosis Foundation Conference was held in October 2022 - the first time since COVID, allowing a proper launch of Bronchitol to the US cystic fibrosis community.

Bronchitol sales

Pharmaxis supplies Bronchitol to its distributors only several time a year with the quantity and timing of orders based on in-market sales and distributor inventory levels. Quarter by quarter comparison of sales is therefore not indicative of underlying market trends.

Pharmaxis shipped large orders to both the US and Russia during the quarter.

Bronchitol sales for the three and nine months ended 31 March 2023 and 31 March 2022 are as follows:

$'000	Three months		Nine months	
	2023	2022	2023	2022
Australia	24	206	191	608
Western Europe	-	250	308	791
Russia	1,054	-	1,054	2,251
Eastern Europe	162	335	415	471
United States	1,775	0	1,775	1,616
Total	**3,015**	**792**	**3,743**	**5,737**

In the US in-market, sales by Chiesi are still small relative to the opportunity.

In Western Europe in-market sales by Chiesi continue at levels experienced in the 2022 financial year. Sales for the last four quarters are approximately 50% lower than pre-COVID-19 levels (2019 calendar year).

In Russia in-market sales for the last twelve months have increased 55% above the twelve months ended 31 March 2022, and over 270% above pre-COVID-19 levels.

Aridol sales

As a result of the COVID-19 pandemic lung function testing continues to be limited to more severe cases due to increased risk of airborne infection from patients exhaling multiple times with force as part of the test. In-market sales have reduced on country by country basis consistent with the impact of the pandemic and this impact continues, particularly in the United States.

Aridol sales for the three and six months ended 31 March 2023 and 31 March 2022 are as follows:

$'000	Three months		Nine months	
	2023	2022	2023	2022
Australia	46	52	230	225
Europe	354	65	543	568
USA & Canada	-	-	-	-
South Korea	-	92	180	267
Rest of world	-	-	-	-
Total	400	209	953	1,060

Corporate

Quarterly investor calls

On 28 April Pharmaxis will host a quarterly investor briefing. Register for the briefing or listen to a recording of it here.

Recent broker research

MST Access, Taylor Collison and Bell Potter all updated their research during the quarter, and Bioshares published an article on Pharmaxis. Copies of analyst reports are available on the Pharmaxis website.

Pharmaxis investor presentation

Pharmaxis' most recent published investor presentation is available on the Company website.

Subscribe to our emails or follow us

If you would like to be advised directly by email each time Pharmaxis issues a media release please subscribe via our website. You can also follow us on LinkedIn and Twitter.

Financials

Key financial metrics

A$'000	Three months ended		Nine months ended	
(unaudited)	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Segment results – adjusted EBITDA				
New drug development				
Oral pan-LOX (external costs - MF & MDS)	(1,791)	(1,075)	(3,671)	(3,644)
Topical pan-LOX (external costs)	(591)	(254)	(867)	(713)
Other program external costs (net of grants)	(259)	(257)	(1,159)	(563)
Employee costs	(888)	(934)	(2,610)	(2,251)
Overhead	(86)	(70)	(370)	(288)
R&D tax credit & other income	-	700	53	700
EBITDA	(3,614)	(1,890)	(8,623)	(6,759)
Mannitol respiratory business				
Sales	3,415	1,001	4,696	6,797
Other income	-	-	7,192	2,344
	3,415	1,001	11,888	8,140
Expenses – employee costs	(1,261)	(1,097)	(3,508)	(3,536)
Expenses – manufacturing purchases	(931)	(606)	(1,913)	(2,849)
Expenses – other	(794)	(679)	(2,630)	(2,755)
EBITDA	429	(1,381)	3,838	(1,000)
Corporate – EBITDA	**(1,127)**	**(1,752)**	**(930)**	**(3,886)**
Total Adjusted EBITDA	**(4,311)**	**(5,023)**	**(5,715)**	**(11,645)**
Net profit(loss)	**(5,061)**	**(5,303)**	**(9,937)**	**(14,128)**
Statement of cash flows				
Cash inflow/ (outflow) from:				
Operations	(1,145)	(5,460)	(1,685)	(11,115)
Investing activities	(22)	(32)	(113)	(102)
Financing activities	(553)	(564)	7,591	7,315
Total cash generated/(used)	**(1,720)**	**(6,056)**	**5,793**	**(3,902)**
Cash at bank	**14,731**	**14,810**	**14,731**	**14,810**

Financial highlights

New drug development

- Oral pan-LOX (MF & MDS) expenditure in the three and nine months relates to the phase 1c/2a clinical trial in myelofibrosis that commenced patient dosing during the first quarter of 2021, and a small amount in support of pre-clinical work by a European university in relation to the effectiveness of PXS-5505 in models of myelodysplastic syndrome. Prior period expenditures also include the phase 1c/2a trial.
- Topical pan-LOX expenditure in the three and months relates to the phase 1c clinical trial in patients with existing scars that commence dosing in January 2022. Expenditures in the current financial year also include work to advance additional topical candidates.

- Other program (external costs) for the none months to 31 March 2023 include A$321,000 start-up costs for the recently deferred clinical trial in HCC (liver cancer).

Mannitol respiratory business

- See above for detail and commentary in relation to Bronchitol and Aridol sales for the quarter.
- Other income for the nine months includes the $7.2 million received from Aptar for its purchase of the Orbital inhalation technology. The prior period nine month includes a $2 million distributor appointment fee received on sale of Australasian Bronchitol and Aridol distribution rights and the fee received for granting of the option over the Orbital technology ($340,000).
- Manufacturing purchases vary with the level of sales and manufacturing activity.

Corporate

- Excluding foreign exchange gains and losses Corporate EBITDA is typically between $0.8 million and negative $1.2 million per quarter. In the current quarter Corporate EBITDA excluding foreign exchange was negative $1.2 million.

Net profit (loss)

- The difference between total adjusted EBITDA and net profit(loss) primarily relates to non-cash items (depreciation, amortization, share based payment expense) and foreign exchange rate gains and losses related to the financing agreement.

Cash

- The Company finished the quarter and half with $14.8 million in cash.
- The Company received its 2022 R&D tax credit of $4.95 million in January 2023. The Company expects to book an R&D tax credit in relation to the current financial year in the June 2023 quarter.
- Receipts for the quarter included the first milestone (A$1.45m) received from Parkinson's UK in relation to its grant to the Company for a phase 2a study in iRDB. The grant is recorded as income only as the expenditure to which it relates is incurred.

Other ASX Listing Rule required disclosures:

Detail in relation to aggregate amount of payments during the quarter to related parties and their associates disclosed in section 6.1 of the Appendix 4C Quarterly Cash Flow Report:

A$'000	Three months ended 31 March 2023	Nine months ended 31 March 2023
Non-executive directors' fees	95	224
Executive director remuneration	128	419
Total	224	643

Additional financial information

Income statements and summary balance sheets are provided below.

Income statements

A$'000	Three months ended		Nine months ended	
(unaudited)	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Revenue				
Revenue from sale of goods	3,415	1,001	4,696	6,797
Sale of Orbital technology; distribution rights	0	-	7,192	2,340
Interest	31	133	71	145
R&D tax incentive	-	-	53	-
Grants	97	(65)	456	105
Other	111	681	339	881
Total revenue	3,654	1,750	12,808	10,268
Expenses				
Employee costs	(2,872)	(2,738)	(8,395)	(7,863)
Administration & corporate	(652)	(778)	(2,042)	(2,111)
Occupancy & utilities	(480)	(301)	(1,129)	(781)
Clinical trials	(2,026)	(542)	(4,552)	(2,779)
Drug development	(712)	(978)	(1,600)	(2,246)
Sales, marketing & distribution	(119)	(184)	(259)	(594)
Safety, medical and regulatory affairs	(244)	(241)	(1,084)	(1,204)
Manufacturing purchases and changes in inventory	(931)	(606)	(1,913)	(2,849)
Other	(139)	(252)	(391)	(514)
Depreciation & amortisation	(394)	(774)	(1,705)	(2,325)
Foreign currency exchange gains & losses	(82)	390	513	(887)
Finance costs	(63)	(49)	(187)	(243)
Total expenses	(8,716)	(7,053)	(22,745)	(24,396)
Net profit (loss) before tax	(5,061)	(5,303)	(9,937)	(14,128)
Income tax credit/(expense)	-	-	-	-
Net profit (loss) after tax	(5,061)	(5,303)	(9,937)	(14,128)

Summary balance sheets

A$'000 (unaudited)	31-Mar-23	30-Jun-22
Assets		
Cash	14,731	8,937
R&D tax incentive	-	4,900
Accounts receivable	4,312	3,238
Inventory	1,796	2,337
PP&E	1,696	3,212
Other	2,472	2,563
	25,007	**25,186**
Liabilities		
Accounts payable and accrued expenses	2,396	1,461
Lease liability (Frenchs Forest facility)	2,629	4,290
Financing agreement (not repayable other than as a % of US Bronchitol revenue)	6,573	6,196
Deferred grant revenue	999	-
Other liabilities	1,628	2,435
	14,227	14,382
Net Assets	**10,779**	**10,804**

Authorised for release to the ASX by Pharmaxis Ltd Disclosure Committee.
Contact: David McGarvey, Chief Financial Officer and Company Secretary: T +61 2 9454 7203, E david.mcgarvey@pharmaxis.com.au