



## PharmAla Issues Q1 Financial Statements

TORONTO, Jan. 29, 2025 -- PharmAla Biotech Holdings Inc. (“**PharmAla**” or the “**Company**”) (CSE: MDMA) (OTC: MDXXF), a biotechnology company focused on the research, development, and manufacturing of LaNeo™ MDMA and novel derivatives of MDMA (MDXX class molecules), is pleased to have publicly filed its financial and operational results for the year ended November 30, 2024. All figures are reported in Canadian dollars. The Company’s full set of consolidated audited financial statements for the quarter and accompanying management’s discussion and analysis can be accessed by visiting the Company’s website at [www.PharmAla.ca](http://www.PharmAla.ca) and its profile page on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

“In Q1, PharmAla saw a significant slowdown in our SAP revenue as we transitioned to our new distribution partner, Rane Pharma. However, this was counterbalanced by very strong growth in our Clinical Trial sales pathway, which is reflected in our growth in “Customer Deposits” in our unaudited condensed consolidated interim financial statements, and has largely been previously announced in individual press releases.” said Nick Kadysh, CEO, PharmAla Biotech. “With the re-establishment of our distribution operations for SAP, and shipments to US clinical trials, we look forward to increased movement of inventory in future quarters.”

### Financial Highlights:

- During fiscal 2024 the Company realized revenue of over \$1.0M representing growth of \$503,000 or 95% year over year, lead by growth in MDMA product sales of \$723,000, a \$305,000 or 73% increase year over year. In fiscal 2024, the Company also increased customer deposits by approximately \$19,000, which has continued to grow by \$74,000 in Q1. These deposits, generally being 50% of the total contract value, can be recognized along with the remaining revenue when the related product is shipped, which for many customers requires the issuance of their clinical trial and/or import permits from relevant regulatory bodies.
- Newfound efficiencies allowed non-cash costs (total expenses excluding stock based compensation, depreciation and amortization, and loss on debt settlement) to remain relatively consistent quarter over quarter, despite bringing strategic team members on-board.
- During the period the Company received cash proceeds of \$42,500 from Directors of the Company for the exercise of options. Further we conducted a debt settlement of accounts payable of \$100,000 in exchange for 459,770 shares valued at \$132,584. Finally, subsequent to year end, we have closed on a non-brokered private placement resulting in aggregate gross proceeds of approximately \$1.5 million. All of which have strengthened our overall cash position for the future.

“The recent cash inflows reflect the confidence of investors and Director group and we look forward to the realization of our sales and customer deposits in the coming periods. While our sales cycles are long, we continue to grow our target markets in a steady and measured way,” said Will Avery, CFO, PharmAla Biotech. “We believe that increased demand driven by the Prescriber’s Portal and fulfilled through our new distribution partner, will allow us to successfully increase shipments to meet urgent patient needs, and combined with the conversion of our customer deposits will continue to drive future growth.”

### Investor Webinar

PharmAla will host a Webinar on February 6, 2025, at 4:30 PM Eastern Time (ET). Nicholas Kadysh, CEO, and Will Avery, CFO, will discuss the Company’s financial results, as well as the Company’s plans for the coming year.

What: PharmAla Earnings/Financials Webinar

When: February 6, 4:30PM ET

Sign-up Link: [https://us06web.zoom.us/webinar/register/WN\\_YVwEWTKGTPKWQoIPPeIdtg](https://us06web.zoom.us/webinar/register/WN_YVwEWTKGTPKWQoIPPeIdtg)

Registered participants will be able to submit questions for the Management Team via a secure link. All questions must be submitted no later than 12:00 Noon ET on Wednesday, February 5<sup>th</sup>.

### About PharmAla

PharmAla Biotech Holdings Inc. (CSE: MDMA) (OTCQB: MDXXF) is a biotechnology company focused on the research, development, and manufacturing of MDXX class molecules, including MDMA. PharmAla was founded with a dual focus: alleviating the global backlog of generic, clinical-grade MDMA to enable clinical trials as well as commercial sales in selected jurisdictions, and to develop novel drugs in the same class. PharmAla is the only company currently provisioning clinical-grade MDMA for patient treatments outside of clinical trials. PharmAla’s research and development unit has completed proof-of-concept research into several IP families, including ALA-002, its lead drug candidate. PharmAla is a “regulatory first” organization, formed under the principle that true success in the psychedelics industry will only be achieved through excellent relationships with regulators.

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Neither the CSE nor its Regulation Services Provider have reviewed or accept responsibility for the adequacy or accuracy of this release.

### **Cautionary Note Regarding Forward-Looking Statements**

This press release contains “forward-looking statements” within the meaning of applicable securities laws. All statements contained herein that are not clearly historical in nature may constitute forward-looking statements. Generally, such forward-looking information or forward-looking statements can be identified by the use of forward-looking terminology such as “plans”, “strategy”, “expects” or “does not expect”, “intends”, “continues”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or may contain statements that certain actions, events or results “will be taken”, “will launch” or “will be launching”, “will include”, “will allow”, “will be made” “will continue”, “will occur” or “will be achieved”. The forward-looking information and forward-looking statements contained herein include, but are not limited to, statements regarding the use of proceeds from the Offering, the Company continuing to grow its revenue and the Company building on the success of this past year.

Readers are cautioned to not place undue reliance on forward-looking information. Actual results and developments may differ materially from those contemplated by these statements. Although the Company believes that the expectations reflected in these statements are reasonable, such statements are based on expectations, factors, and assumptions concerning future events which may prove to be inaccurate and are subject to numerous risks and uncertainties, certain of which are beyond the Company’s control, including but not limited to the risk factors discussed under the heading “Risk Factors” in the Company’s management’s discussion and analysis, and elsewhere in this press release, as such factors may be further updated from time to time in our periodic filings, available at [www.sedarplus.ca](http://www.sedarplus.ca), which factors are incorporated herein by reference. Forward-looking statements contained in this press release are expressly qualified by this cautionary statement and reflect the Company’s expectations as of the date hereof and are subject to change thereafter. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, estimates or opinions, future events or results, or otherwise, or to explain any material difference between subsequent actual events and such forward-looking information, except as required by applicable law.

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