

Braxia Scientific Reports Q2 2023 Financial Results; Focused on Growing Clinic and Telemedicine Delivery of Novel Mental Health Treatments in North America

- Braxia Health clinic ketamine treatments up 34.5% YoY in Q2 2023 and revenue up 18% YoY
- Expanded clinic capacity with new, state-of-the-art clinic opened in Ottawa
- Closed acquisition of KetaMD and launched new ketamine telemedicine platform in Florida

TORONTO, Nov. 29, 2022 /CNW/ - Braxia Scientific Corp. ("Braxia Scientific", or the "Company"), (CSE: BRAX) (OTC: BRAXF) (FWB: 4960), a medical research and telemedicine company with clinics providing innovative ketamine and psilocybin treatments for depression and related disorders, today announced the filing of its financial statements and management discussion and analysis for the second quarter ended September 30, 2022. Complete financial statements along with related management discussion and analysis can be found in the System for Electronic Document Analysis and Retrieval (SEDAR), the electronic filing system for the disclosure documents of issuers across Canada, at www.SEDAR.com.

"We are executing on our vision to increase access to novel treatments such as Ketamine and Psilocybin to address mental health disorders such as depression, anxiety, bipolar disorder and post-traumatic stress disorder (PTSD)," said Dr. Roger McIntyre, CEO, Braxia Scientific. "We have invested in expanding capacity and technology across our clinical footprint to support implementation of ketamine and psilocybin treatment programs, provide best-in-class patient experience and address increasing demand. Our U.S. telemedicine platform, KetaMD, is providing access to safe, virtually guided at-home ketamine treatments in Florida where [2.9 million adults have a mental health condition](#)."

"As we move forward in 2023, Braxia's growth initiatives are driven by our established clinical infrastructure, a U.S. telemedicine platform, ongoing clinical trials and human capital leading the industry in clinical research and best practices with 45 Braxia management-led publications to date. As we continue to build on our core strengths and priorities, we are evaluating strategic capital market opportunities to create shareholder value."

Corporate Update and Recent Highlights

Braxia Health Clinics

Clinical Ketamine Treatment Program

Braxia Health clinics are comprised of a unique network of physicians, specialists and researchers delivering innovative, rapid acting treatments like intravenous (IV) and oral ketamine, and psilocybin for treatment resistant depression (TRD) and other mental health disorders. The high quality and timely access to innovative treatment is the differentiating factor allowing Braxia to expand its footprint rapidly and diversify its offering into experimental therapeutic clinical research programs.

During the quarter, Braxia Health clinics continued to steadily grow its ketamine program referral network across 5 cities. The Company has made progress on expanding the capacity of its clinic footprint completing the buildout of its new clinic in Ottawa and continues to build out its newest flagship Toronto clinic. The new clinic commenced ramping operations, including adding specialized nursing, medical and psychiatry personnel late October and delivered initial treatments in November. Additionally, the Company invested in establishing a new technology platform across its clinical platform that will provide implementation capabilities for increasing in person treatments and virtual treatments, while also driving efficiencies and an enhanced patient experience. Technology systems in place also support critical data collection and data mining capabilities from treatments delivered to date and ongoing clinical trials. With the increased capacity, Braxia health is also working to expand capacity to support increased volumes for ketamine and psilocybin treatments, as the research team prepares to launch new clinical trials in the coming months.

Psilocybin-Assisted Therapy Treatment Programs

Braxia Health is pleased to have received several approvals to provide psilocybin therapy through the federally approved Special Access Program (SAP). Braxia is now accepting referrals for psilocybin therapy following the implementation of a streamlined process to allow for improved efficiencies in applying through the SAP and providing this treatment in Braxia clinics. Three clinics are now set up to provide psilocybin therapy with specially designed psilocybin dosing rooms in Toronto, Mississauga and Ottawa. This infrastructure will serve the SAP treatments and psychedelic clinical trials at Braxia.

Braxia Health's research team completed enrollment of its final participant for Braxia's first psilocybin trial, with trial expected to be completed before May 2023. Braxia progressed the first Phase II randomized [Health Canada approved multi-dose psilocybin trial](#), approved July 2021 and launched November 2021.

Following the [preliminary positive results reported earlier this year](#), the Braxia team reported meaningful improvements in depression severity observed (as measured by the Montgomery-Åsberg depression rating scale, MADRS). These preliminary findings have been reported in numerous peer reviewed abstracts at local, national and international conferences including the Global Psychedelic Summit, Canadian Psychiatric Association and American College of Neuropsychopharmacology. A novel finding from this study has been accepted for publication in the American Journal of Psychiatry.

The Company expects to launch additional psilocybin-assisted trials in the coming quarters across multiple diagnostic categories.

Braxia management also continued its Psilocybin Therapy Training Program with the first cohort successfully graduating independently licensed multidisciplinary therapists from diverse training programs (family medicine, psychiatry, psychotherapy, spiritual care, social work, nursing). A second cohort completed enrollment in the training program with graduation anticipated for late 2023. These therapists will provide psilocybin therapy within Braxia's current and future clinical trials along with increasing SAP patient treatments.

These clinical research initiatives present multiple opportunities for future revenue generation. It is anticipated that no near-term revenue will be generated from these clinical research initiatives.

KetaMD (U.S.) – Providing Ketamine for Depression, Anxiety, PTSD and Bipolar Disorder

The Company is dedicated to increasing widespread access to ketamine treatment for depression, anxiety, post-traumatic stress disorder, and other mental health challenges through KetaMD's safe, convenient, and HIPAA-compliant telemedicine platform.

During the quarter, Braxia closed its acquisition of KetaMD and launched its end-to-end telemedicine platform in Florida. KetaMD utilizes leading digital and mobile technology to provide safe, affordable, and potentially life-changing at-home ketamine treatments for people suffering from depression and related mental health conditions. People who are deemed eligible by one of KetaMD's licensed Florida healthcare practitioners, receive medically supervised treatments, guided virtually by registered nurses with mental health expertise and best practices protocols as published in the American Journal of Psychiatry by Braxia management.

Q2 2023 Financial Summary

- Q2 2023 in-clinic treatments increased 34.5% year-over-year. In first 6 months of 2023, in-clinic treatments increased 35% compared to the prior year period.

- During the quarter, the Company acquired KetaMD which launched an initial pilot of its virtual ketamine treatments late in the quarter. The Company expects KetaMD's revenues and profitability to increase as services and operations ramp up services, marketing and forge new clinical partnerships.
- Q2 2023 revenue increased 18% year-over-year to \$0.46 million for the period ending September 30, 2022.
- In first six months of 2023, revenues increased 10.1% to \$0.87 million compared to prior year period.
- Net loss was \$2.2 million for Q2 2023 ended September 30, 2022, compared to a net loss of \$1.7 million for the three months ended September 30, 2021. Net loss during the quarter includes non-cash share-based compensation of \$0.38 million and \$0.25 million from the fair value change of convertible debenture pursuant to the acquisition of KetaMD.
- In first six months of 2023, net loss was \$3.1 million compared to a net loss of \$2.8 million in the prior year period. Net loss includes non-cash share-based compensation of \$0.6 million.
- As at September 30, 2022, the Company's cash and cash equivalents were \$5.2 million and working capital was \$2.32 million.
- The Company is in discussions with various parties to explore sources of funding and partnerships to further its growth initiatives, including the expansion of KetaMD.

About Braxia Scientific Corp.

Braxia Scientific is a medical research and telemedicine company with clinics that provide innovative ketamine treatments for persons with depression and related disorders. Braxia also launched its U.S. based end-to-end telemedicine platform KetaMD, that utilizes leading technology to provide access to safe, affordable, and potentially life-changing at-home ketamine treatments for people living with depression and related mental health conditions. Through its medical solutions, Braxia aims to reduce the illness burden of brain-based disorders, such as major depressive disorder among others. Braxia is primarily focused on (i) owning and operating multidisciplinary clinics, providing treatments in-person and virtually for mental health disorders, and (ii) research activities related to discovering and commercializing novel drugs and delivery methods. Braxia seeks to develop ketamine and derivatives and other psychedelic products from its IP development platform. Through its wholly owned subsidiary, Braxia Health (formerly the Canadian Rapid Treatment Center of Excellence Inc.), operates multidisciplinary community-based clinics offering rapid-acting treatments for depression located in Mississauga, Toronto, Kitchener-Waterloo, Ottawa, and Montreal.

ON BEHALF OF THE BOARD

"Dr. Roger S. McIntyre"
Dr. Roger S. McIntyre

Chairman & CEO

The CSE has not reviewed and does not accept responsibility for the accuracy or adequacy of this release.

Forward-looking Information Cautionary Statement

This news release contains forward-looking statements within the meaning of applicable securities laws. All statements that are not historical facts, future estimates, plans, programs, forecasts, projections, objectives, assumptions, expectations, or beliefs of future performance are "forward-looking statements."

Forward-looking statements include statements about the intended promise of ketamine-based treatments for depression, the potential for ketamine or other psychedelics to treat other mental health conditions, the integration plans for Braxia and KetaMD, the intention to conduct further clinical trials, the expected growth of at-home telemedicine, the expected benefit and synergies of Braxia and KetaMD and the expectation to expand to areas other than Florida. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, events, or developments to be materially different from any future results, events or developments expressed or implied by such forward-looking statements. Such risks and uncertainties include, among others, the failure of ketamine, psilocybin and other psychedelics to provide the expected health benefits and unanticipated side effects, dependence on obtaining and maintaining regulatory approvals, including acquiring and renewing federal, provincial, municipal, local or other licenses and engaging in activities that could be later determined to be illegal under domestic or international laws. Ketamine and psilocybin are currently Schedule I and Schedule III controlled substances, respectively, under the Controlled Drugs and Substances Act, S.C. 1996, c. 19 (the "CDSA") and it is a criminal offence to possess such substances under the CDSA without a prescription or a legal exemption. Health Canada has not approved psilocybin as a drug for any indication, however ketamine is a legally permissible medication for the treatment of certain psychological conditions. It is illegal to possess such substances in Canada without a prescription.

These factors should be considered carefully, and readers are cautioned not to place undue reliance on such forward-looking statements.

Although the Company has attempted to identify important risk factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other risk factors that cause actions, events or results to differ from those anticipated, estimated or intended. Additional information identifying risks and uncertainties that could affect financial results is contained in the Company's filings with Canadian securities regulators, including the Amended and Restated Listing Statement dated April 15, 2021 and its most recent MD&A, which are available at www.sedar.com. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in forward-looking statements.

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