Biomed Industries, Inc.
2570 N. First Street, 2nd Floor
San Jose, CA 95131 USA
Tel. 800-824-5135
www.biomedind.com

Biomed Industries, Inc. offers to acquire Athenex, Inc. (ATNX)

- ***Offers $1.21 per share in cash***
- ***Offer represents 100% premium to yesterday's closing price***

SAN JOSE CA / ACCESSWIRE / April 13, 2023 / Earlier today Biomed Industries, Inc., a bio-pharmaceutical company committed to the development and commercialization of new drug therapeutics for unmet needs, issued a letter to the Board of Directors of Athenex, Inc. (NASDAQ: ATNX) The letter described a proposal to acquire all the company's common stock for $1.21 per share in cash.
A full copy of the letter can be found below:

CONTACT:

Michael Willis

MWillis@biomedind.com

####

April 13, 2023

Athenex, Inc.
1001 Main Street, Suite 600
Buffalo, NY 14203
Attention: Dr. Johnson Lau, Chairman

To: The Board of Directors of Athenex, Inc.
Johnson Y.N. Lau
Stephanie Davis
Manson Fok
Jordan Kanfer
Robert J. Spiegel
Benson Tsang
John M. Vierling
Jinn Wu

Dear Sir/Madame:

Biomed Industries, Inc. is pleased to submit this proposal (the "Proposal") under which we would acquire all the outstanding Common Stock of Athenex, Inc. ("Athenex" or the "Company") we do not own for a price of $1.21 per share in cash.

Our Proposal represents a premium of 100% to the Company's closing stock price yesterday. which we believe is very compelling as it provides shareholders with a highly certain and significant return and the ability to obtain liquidity for their shares. We believe we can complete customary diligence and negotiate definitive documentation within 60 days.

Athenex's stock currently traded at $1.21 on April 12, 2023, and the Company has an equity market cap of $10.48 million.

We believe Athenex has an uncertain future: (i) all clinical trials of the company's drug candidates failed, (ii) Outstanding principal on the Senior Credit Agreement with Oaktree amounted to $44.7 million and in early March 2023, Athenex received notices of certain alleged defaults and reservations of rights from Oaktree (iii) Royalty financing liability, and long-term liabilities of $86.7 million, (iv) the Comprehensive net loss was $102 million for the fiscal year ended on December 31, 2022, (v) Athenex has a limited institutional following, and (vi) has historically disappointed investors and currently lacks credibility in the investment community.

We note that Athenex's stock price has been down 35% since it effected a 20-to-1 reverse split of its common stock on February 15, 2023, and down 99% since its IPO on June 19, 2017.

Below is a brief summary of benefits of which a merger of Athenex, Inc. and Biomed Industries, Inc. would add significant value for each of our respective businesses and shareholders:

- Biomed's Phase 2B and Phase 3 drug candidates for the treatment of Alzheimer's disease valued at approximately $600 million will increase the share price of the combined enterprise.
- A pathway to further streamline Athenex's business to achieve breakeven in 12 months.
- A pathway to continue development of Athenex's current pipeline and to save considerable time and cost in recruiting and managing ongoing clinical trials of Athenex's drugs though Biomed's AI platform.
- Use of Athenex's current manufacturing facilities for both of our pipelines.

We believe our Proposal is in the best interests of all shareholders as it offers shareholders a significantly more attractive risk/reward scenario than the Board's current plan. Because we believe investors will favor a sale of the Company, we highly encourage you not to pursue any significant transactions while our Proposal is outstanding.

Please be advised that this Proposal is an expression of interest only, and we reserve the right to withdraw or modify our Proposal in any manner. No legal obligation with respect to a transaction shall arise unless and until execution of mutually acceptable definitive documentation.

Should you have any questions, please do not hesitate to contact us. We look forward to hearing from you.

Sincerely,

Lloyd L. Tran
Chairman and CEO
Biomed Industries, Inc.
San Jose, California USA
Email: LTran@biomedind.com

About Biomed Industries, Inc.:

Biomed Industries, Inc.™ is a bio-pharmaceutical company committed to the development and commercialization of new drug therapeutics for unmet needs.
Biomed Industries, Inc. is the parent company of Biomed Pharmaceuticals, Inc., NeuroActiva, Inc. and BiomedAI, Inc., Biomed Green LLC, Biomed Digital LLC. and MedAware Systems, Inc. Biomed's team has discovered a new family of drugs for the treatment and prevention of Alzheimer's disease.

For more information, please contact

Michael Willis
Vice President of Business Development

Biomed Industries, Inc.
San Jose, California USA
MWillis@biomedind.com
media@biomedind.com

https://www.biomedind.com