

3rd Quarter Management Report November 15, 2021

EXECUTIVE SUMMARY

NEW YORK, New York, Nov. 15, 2021 – Q3 was a steadfast and successful quarter for Laxxon Medical Corporation in terms of operational and business developments. The quarter was most dominated by the Series A funding round, which will be closing with approximately \$12.5M, exceeding our Q2 projections.

The financing round was accompanied by multiple operational achievements, most significantly the development of partnerships with two multinational companies. Evonik Industries, one of the largest specialty chemical companies in the world, is one partner. The other partner is one of the top ten pharma companies in the United States.

The Share Swap of Laxxon Medical AG and Laxxon Medical GmbH with shares of Laxxon Medical Corporation was another Q3 operational milestone. This Swap establishes Laxxon Medical Corporation as the mother company of these affiliates.

Lastly, without significant limitations due to COVID-19, the business in the U.S. became operational, opening the Laxxon office in New York City and welcoming Frances Hoggard as Laxxon Medical Corporation's Public Relation Manager and Executive Assistant to the Board.

OPERATIVES

- By the end of Q3, \$9M investments have been secured (\$2.50 per share), with an expected \$3M further strategic investment by the end of November 2021.
- Laxxon Medical's first product development program with a leading global pharma company has been achieved and is underway. Additionally, a second product development program in discussion with this same company.
- There are ongoing discussions between Laxxon Medical and Evonik about a closer cooperation concerning product developments. Evonik is envisioning a strategic partnership with Laxxon Medical for the further development and exploration of 3D screen printing technologies with Laxxon Medical's SPID® (Screen Printing Innovational Drug) Technology at the Evonik site in Birmingham, Alabama. The establishment of a GMP lab-printer as well as a GMP production unit at the Birmingham site is foreseen for Q3 of 2022.

Q4 OBJECTIVES

In Q4, we expect to:

- finalize our first product development project with our U.S. client and continue to pursue the development of a second product with the same company
- continue our in-house product development pipeline under the 505(B)(2) registration in the U.S.
- sign a pre-IPO engagement letter with an investment bank
- explore product development work for an innovative transdermal drug delivery system at our site in Jena, Germany
- launch our new website, the first of many communications initiatives

In January, we will be presenting as a private company at the Needham Growth Conference (NGC), one of the largest events for growth stock investing in the country.

Lastly, we have open positions for the roles of researcher, project manager, operator and accountant in the U.S. and will be onboarding staff in the new year.