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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2024

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from ___ to ___

Commission File Number 001-35023

iBio, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**26-2797813**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
8800 HSC Parkway, Bryan, TX	**77807-1107**
(Address of principal executive offices)	(Zip Code)

(979) 446-0027
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common Stock	IBIO	NYSE American

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).
Yes ☒ No ☐

Indicate by check mark whether the registrant is a large, accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large, accelerated filer," "accelerated filer" "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated Filer ☐	Accelerated Filer ☐
Non-accelerated Filer ☒	Smaller reporting company ☒
	Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes ☐ No ☒

Shares of Common Stock outstanding as of May 9, 2024: 8,623,676

iBio, Inc.

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PART I - FINANCIAL INFORMATION

Item 1. Condensed Consolidated Financial Statements (Unaudited).

iBio, Inc. and Subsidiaries
Condensed Consolidated Balance Sheets
(In thousands, except share and per share amounts)

	March 31, 2024 (Unaudited)	June 30, 2023
Assets		
Current assets:		
Cash and cash equivalents	$ 5,302	$ 4,301
Restricted cash	914	3,025
Subscription receivable	14,104	204
Prepaid expenses and other current assets	862	664
Current assets held for sale	14,957	18,065
Total Current Assets	36,139	26,259
Restricted cash	215	253
Promissory note receivable and accrued interest	1,772	1,706
Finance lease right-of-use assets, net of accumulated amortization	407	610
Operating lease right-of-use asset	2,472	2,722
Fixed assets, net of accumulated depreciation	3,726	4,219
Intangible assets, net of accumulated amortization	5,373	5,388
Security deposits	50	50
Total Assets	$ 50,154	$ 41,207
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 1,228	$ 1,849
Accrued expenses	3,998	4,034
Finance lease obligations - current portion	292	272
Operating lease obligation - current portion	424	389
Equipment financing payable - current portion	173	160
Term promissory note - current portion	208	—
Insurance premium financing payable	340	—
Term note payable - net of deferred financing costs	12,655	12,937
Contract liabilities	175	—
Current liabilities related to assets held for sale	1,933	1,941
Total Current Liabilities	21,426	21,582
Finance lease obligations - net of current portion	130	351
Operating lease obligation - net of current portion	2,801	3,125
Equipment financing payable - net of current portion	110	241
Term promissory note - net of current portion	824	—
Accrued expenses - noncurrent	—	527
Total Liabilities	25,291	25,826
Stockholders' Equity		
Series 2022 Convertible Preferred Stock - $0.001 par value; 1,000,000 shares authorized at March 31, 2024 and June 30, 2023; 0 and 0 shares issued and outstanding as of March 31, 2024 and June 30, 2023, respectively	—	—
Common stock - $0.001 par value; 275,000,000 shares authorized at March 31, 2024 and June 30, 2023; 8,517,449 and 1,015,505 shares issued and outstanding as of March 31, 2024 and June 30, 2023, respectively	9	1
Additional paid-in capital	330,923	304,320
Accumulated deficit	(306,069)	(288,940)
Total Stockholders' Equity	24,863	15,381
Total Liabilities and Stockholders' Equity	$ 50,154	$ 41,207

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

iBio, Inc. and Subsidiaries
Condensed Consolidated Statements of Operations and Comprehensive Loss
(Unaudited; in thousands, except per share amounts)

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2024	2023	2024	2023
Revenues	$ —	$ —	$ 50	$ —
Operating expenses:				
Research and development	904	2,644	4,045	7,971
General and administrative	2,722	3,525	9,230	16,407
Total operating expenses	3,626	6,169	13,275	24,378
Operating loss	(3,626)	(6,169)	(13,225)	(24,378)
Other income (expense):				
Interest expense	(52)	(35)	(112)	(66)
Interest income	43	23	140	163
Loss on sales of debt securities	—	(98)	—	(98)
Gain on sale of intellectual property	1,000	—	1,000	—
Total other income	991	(110)	1,028	(1)
Net loss from continuing operations	(2,635)	(6,279)	(12,197)	(24,379)
Loss from discontinued operations	(537)	(1,015)	(4,932)	(34,598)
Net loss	$ (3,172)	$ (7,294)	$ (17,129)	$ (58,977)
Comprehensive loss:				
Consolidated net loss	$ (3,172)	$ (7,294)	$ (17,129)	$ (58,977)
Other comprehensive loss - unrealized gain on debt securities	—	134	—	180
Other comprehensive income - foreign currency adjustment	—	33	—	33
Comprehensive loss	$ (3,172)	$ (7,127)	$ (17,129)	$ (58,764)
Loss per common share attributable to iBio, Inc. stockholders - basic and diluted - continuing operations	$ (0.71)	$ (9.53)	$ (5.43)	$ (46.00)
Loss per common share attributable to iBio, Inc. stockholders - basic and diluted - discontinued operations	$ (0.14)	$ (1.54)	$ (2.19)	$ (65.28)
Loss per common share attributable to iBio, Inc. stockholders - basic and diluted - total	$ (0.85)	$ (11.07)	$ (7.62)	$ (111.28)
Weighted-average common shares outstanding - basic and diluted	3,713	659	2,247	530

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

iBio, Inc. and Subsidiaries
Condensed Consolidated Statements of Stockholders' Equity
(Unaudited; in thousands)

Three and Nine Months Ended March 31, 2024

	Preferred Stock		Common Stock		Additional Paid-In Capital	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount			
Balance as of July 1, 2023	—	$ —	1,015	$ 1	$ 304,320	$ (288,940)	$ 15,381
Capital raise	—	—	352	*	2,896	—	2,896
Costs to raise capital	—	—	11	*	(87)	—	(87)
Vesting of RSUs	—	—	4	*	—	—	—
Share-based compensation	—	—	—	—	765	—	765
Net loss	—	—	—	—	—	(5,746)	(5,746)
Balance as of September 30, 2023	—	$ —	1,382	$ 1	$ 307,894	$ (294,686)	$ 13,209
Capital raise	—	—	1,858	2	4,620	—	4,622
Cost to raise capital	—	—	—	—	(872)	—	(872)
Payment for fractional shares after reverse stock split	—	—	(1)	*	(7)	—	(7)
Vesting of RSUs	—	—	5	*	—	—	—
Share-based compensation	—	—	—	—	456	—	456
Net loss	—	—	—	—	—	(8,211)	(8,211)
Balance as of December 31, 2023	—	$ —	3,244	$ 3	$ 312,091	$ (302,897)	$ 9,197
Capital raise	—	—	5,253	6	19,339	—	19,345
Cost to raise capital	—	—	—	—	(964)	—	(964)
Vesting of RSUs	—	—	20	*	—	—	—
Share-based compensation	—	—	—	—	457	—	457
Net loss	—	—	—	—	—	(3,172)	(3,172)
Balance as of March 31, 2024	—	$ —	8,517	$ 9	$ 330,923	$ (306,069)	$ 24,863

* Represents amount less than 0.5 thousand.

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

iBio, Inc. and Subsidiaries
Condensed Consolidated Statements of Stockholders' Equity
(Unaudited; in thousands)

Three and Nine Months Ended March 31, 2023

	Preferred Stock		Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount				
Balance as of July 1, 2022	1	$ *	437	$ 1	$ 287,627	$ (213)	$ (223,930)	$ 63,485
Capital raise	—	—	9	*	1,151	—	—	1,151
Conversion of preferred stock to common stock	(1)	*	—	—	—	—	—	—
Common stock issued - RubrYc transaction	—	—	5	*	650	—	—	650
Vesting of RSUs	—	—	*	—	—	—	—	—
Share-based compensation	—	—	—	—	1,222	—	—	1,222
Unrealized gain on available-for-sale debt securities	—	—	—	—	—	(10)	—	(10)
Net loss	—	—	—	—	—	—	(18,130)	(18,130)
Balance as of September 30, 2022	—	$ —	451	$ 1	$ 290,650	$ (223)	$ (242,060)	$ 48,368
Capital raise	—	—	168	*	3,500	—	—	3,500
Cost to raise capital	—	—	—	—	(636)	—	—	(636)
Payment for fractional shares after reverse stock split	—	—	*	—	(39)	—	—	(39)
Vesting of RSUs	—	—	*	—	—	—	—	—
Share-based compensation	—	—	—	—	1,127	—	—	1,127
Unrealized loss on debt securities	—	—	—	—	—	56	—	56
Net loss	—	—	—	—	—	—	(33,553)	(33,553)
Balance as of December 31, 2022	—	$ —	619	$ 1	$ 294,602	$ (167)	$ (275,613)	$ 18,823
Capital raise	—	—	171	*	—	—	—	—
Vesting of RSUs	—	—	1	*	4,097	—	—	4,097
Share-based compensation	—	—	—	—	1,596	—	—	1,596
Unrealized loss on debt securities	—	—	—	—	—	113	—	113
Reclassification adjustment for loss on available-for-sale debt securitiesrealized in net income	—	—	—	—	—	21	—	21
Foreign currency translation adjustment	—	—	—	—	—	33	—	33
Net loss	—	—	—	—	—	—	(7,294)	(7,294)
Balance as of March 31, 2023	—	$ —	791	$ 1	$ 300,295	$ —	$ (282,907)	$ 17,389

* Represents amount less than 0.5 thousand.

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

iBio, Inc. and Subsidiaries
Condensed Consolidated Statements of Cash Flows
(Unaudited; in thousands)

	Nine Months Ended March 31,	
	2024	**2023**
Cash flows from operating activities:		
Consolidated net loss	$ (17,129)	$ (58,977)
Adjustments to reconcile consolidated net loss to net cash used in operating activities:		
Share-based compensation	1,678	3,945
Amortization of intangible assets	15	121
Amortization of finance lease right-of-use assets	203	156
Amortization of operating lease right-of-use assets	259	290
Depreciation of fixed assets	492	508
Gain on sale of fixed assets	(50)	(732)
Accrued interest receivable on promissory note receivable	(66)	(56)
Amortization of premiums on debt securities	—	67
Loss on sale of debt securities	—	98
Amortization of deferred financing costs	120	160
Inventory reserve	—	4,915
Impairment of fixed assets	3,100	17,600
Gain on sale of intangible assets	(1,000)	—
Accrued payment in kind on Term Loan	(402)	—
Impairment of intangible assets	—	565
Gain on disposition of finance lease ROU assets	—	(5)
Changes in operating assets and liabilities:		
Accounts receivable - trade	—	931
Settlement receivable	—	5,100
Inventory	—	(1,015)
Prepaid expenses and other current assets	318	627
Prepaid expenses - noncurrent	—	74
Security deposit	—	(21)
Accounts payable	(621)	(481)
Accrued expenses	31	(18)
Accrued expenses - noncurrent	(527)	791
Operating lease obligations	(296)	(9)
Contract liabilities	175	(100)
Net cash used in operating activities	(13,700)	(25,466)
Cash flows from investing activities:		
Redemption of debt securities	—	4,100
Sale of debt securities	—	6,739
Sale proceeds for intangible assets	1,000	—
Purchases of fixed assets	—	(5,232)
Sales proceeds for fixed assets	50	2,100
Payment for RubrYc asset acquisition	—	(692)
Net cash provided by investing activities	1,050	7,015
Cash flows from financing activities:		
Proceeds from sales of common stock	11,291	7,851
Payments made for costs to acquire capital	(87)	—
Payments for fractional shares after reverse stock split	(7)	(39)
Subscription receivable	204	—
Proceeds from equipment financing loan	—	500
Payment of equipment financing loan	(118)	(62)
Proceeds from term promissory note	895	—
Payment of term promissory note	(39)	—
Payment of term note payable	(436)	(8,523)
Payments made for costs to attain term note	—	(22)
Payment of finance lease obligation	(201)	(144)
Net cash provided by (used in) financing activities	11,502	(439)
Net decrease in cash, cash equivalents and restricted cash	(1,148)	(18,890)
Cash, cash equivalents and restricted cash - beginning	7,579	28,672
Cash, cash equivalents and restricted cash - end	$ 6,431	$ 9,782

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

iBio, Inc. and Subsidiaries
Condensed Consolidated Statements of Cash Flows
(Unaudited; in thousands)

	Nine Months Ended March 31,	
	2024	**2023**
Schedule of non-cash activities:		
Subscription receivable	$ 14,104	$ 260
Costs to raise capital paid directly from gross proceeds	$ 1,468	$ 636
Insurance premium financing	$ 669	$ —
Costs to raise capital included in accrued expenses	$ 369	$ —
Reserves related to term promissory note included in prepaid expenses	$ 109	$ —
Costs related to term promissory note paid directly from gross proceeds	$ 68	$ —
Cost accrued to amend term note payable	$ 30	$ 75
Fixed assets included in accounts payable in prior period, paid in current period	$ —	$ 1,769
Increase in finance lease ROU assets for new leases	$ —	$ 814
Increase in finance lease obligation for new leases	$ —	$ 814
Rubr asset acquisition by issuance of common stock	$ —	$ 650
Sale of fixed assets receivable	$ —	$ 460
Unpaid fixed assets included in accounts payable	$ —	$ 21
Unrealized loss (gain) on available-for-sale debt securities	$ —	$ (159)
Supplemental cash flow information:		
Cash paid during the period for interest	$ 401	$ 363

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

iBio, Inc. and Subsidiaries
Notes to Condensed Consolidated Financial Statements
(Unaudited)

1. Nature of Business

iBio, Inc. (the "Company" or "iBio") is a preclinical stage biotechnology company that leverages the power of Artificial Intelligence ("AI") for the development of precision antibodies. The Company's proprietary technology stack is designed to minimize downstream development risks by employing AI-guided epitope-steering and monoclonal antibody ("mAb") optimization.

In September 2022, the Company made a strategic pivot by acquiring substantially all of the assets of RubrYc Therapeutics, Inc. ("RubrYc"). This acquisition commenced the Company's transition to an AI-enabled biotech company and led to the divestiture of its Contract Development and Manufacturing Organization ("CDMO") business. This strategic decision allowed the Company to focus resources on the development of AI-powered precision antibodies, positioning iBio at the forefront of this exciting field.

One of the key features of the Company's technology stack is the patented epitope-steering AI-engine. This advanced technology allows the Company to target specific regions of proteins with precision enabling the creation of antibodies highly specific to therapeutically relevant regions within large target proteins, potentially improving their efficacy and safety profile. Another integral part of the Company's technology stack is the machine learning ("ML") based antibody-optimizing StableHu™ technology. When integrated with the Company's mammalian display technology, StableHu has demonstrated its ability to expedite the Lead Optimization process. This integration not only potentially reduces downstream risks but also streamlines the overall development process, making it faster, more efficient, and cost-effective. As a result, optimization can be achieved in less than four weeks.

The Company also developed the EngageTx™ platform, which provides an optimized next-generation CD3 T-cell engager antibody panel. This panel is characterized by a wide spectrum of potencies, Non-Human Primate ("NHP") cross-reactivity, enhanced humanness of the antibodies, and a maintained tumor cell killing capacity, all while reducing cytokine release. These attributes are meticulously designed to fine-tune the efficacy, safety, and tolerability of the Company's antibody products. By incorporating EngageTx into the Company's own development initiatives, the Company's internal pre-clinical pipeline reaps the benefits of the same cutting-edge technology extended to its potential partners.

The Company expanded its AI-powered technology stack with the launch of ShieldTx™, a patent-pending antibody masking technology designed to enable specific, highly targeted antibody delivery to diseased tissue without harming healthy tissue. By adding ShieldTx to the Company's technology stack, iBio uniquely integrates antibody engineering and masking in one accelerated process to potentially overcome the challenges of complex targets, safety, and developability in next-generation antibody discovery and development.

iBio's scientific team, composed of experienced AI/ML scientists and biopharmaceutical scientists, located side-by-side in its San Diego laboratory, possess the skills and capabilities to rapidly advance antibodies from concept to in vivo proof-of-concept ("POC'). This multidisciplinary expertise allows the Company to quickly translate scientific discoveries into potential therapeutic applications.

Artificial Intelligence in Antibody Discovery and Development

The potential of AI in antibody discovery is immense and is being increasingly recognized in the biopharmaceutical industry. The mAbs market has seen impressive growth in recent years, with mAbs increasingly the top-selling drugs in the United States. This success has driven the industry to seek innovative methods for refining and improving their antibody pipelines. AI and deep learning, which have already revolutionized small molecule drug design, are now making significant strides in the development and optimization of antibodies.

The Company is leveraging its AI-powered technology stack to enhance the success rate of identifying antibodies for challenging target proteins, expedite the process of antibody optimization, improve developability, and engineer finely calibrated bi-specifics. By continually refining the Company's AI algorithms, incorporating new data sources, and developing robust experimental validation processes, iBio is paving the way for groundbreaking advancements in antibody design and drug discovery.

Strategy

The Company is a pioneering biotechnology company at the intersection of AI and biologics, committed to reshaping the landscape of discovery. The Company's core mission is to harness the potential of AI and machine learning to unveil elusive biologics that stand out and have evaded other scientists. Through the Company's innovative platform, it champions a culture of innovation by identifying novel targets, forging strategic collaborations to enhance efficiency, diversify pipelines, with the goal of accelerating preclinical processes.

Additionally, the Company's groundbreaking EngageTx™ technology enables the Company to target bi-specific molecules. With the ability to navigate sequence diversity and promote Human-Cyno cross reactivity while mitigating cytokine release, the Company's goal is to enhance agility and bolster preclinical safety assessments.

The Company's strategic approach to fulfilling its mission is outlined as follows:

- **Elevate Epitope Discovery:** The Company believes it leads the field with its patented AI-engine uncovering "hard to develop" molecules. The Company's unparalleled epitope engine stands out by allowing the ability to target select regions of a protein, potentially removing the lengthy trial and error out of mAb discovery. This capability is expected to improve probability of success while at the same time, reduces costs commonly caused by having an iterative process. The Company's epitope engine is engineered to match its target, refined for stability and optimized for water solubility, allowing the Company to identify new drug candidates that have failed or have been abandoned due to their complexity.

- **Capital Efficient Business Approach:** The Company's strategic business approach is structured around the following pillars of value creation:

    - **Strategic Partnerships**: The Company is leveraging its platform and pipeline by forming strategic partnerships. The Company's aim is to become the preferred partner for major pharmaceutical and biotechnology companies seeking rapid and cost-effective integration of complex molecules into their portfolios, de-risking their early-stage pre-clinical work. Additionally, a rich array of fast follower molecules within the Company's pre-clinical pipeline holds the potential to drive substantial partnerships, opening doors to innovative projects. By tapping into the Company's platform, infrastructure, and expertise, partners have the potential to streamline timelines, reduce costs tied to biologic drug discovery applications and cell line process development, and expedite preclinical programs with efficiency.

    - **Tech Licensing in Diverse Therapeutic Areas:** In pursuit of adding value, the Company is exploring partnerships in diverse therapeutic domains such as, metabolic diseases, CNS or vaccines. The Company's intention is to license the AI tech stack, extending its benefits to the Company's partners and amplifying its biological impact and insights. This strategic approach enables the Company to capitalize on the value of its meticulously curated data while empowering collaborations and innovations.

    - **Developing and Advancing the Company's In-house Programs Cost Effectively**: Clinical advancement is crucial for drug discovery. The Company is actively looking for opportunities to progress its internal pre-clinical programs, with a focal point on oncology, obesity and cardiometabolic diseases, steadily reinforcing its pre-clinical pipeline.

- **Unwavering Investment in Advancing the Platform:** The Company maintains an unwavering commitment to invest in its platform, continually unlocking the potential of biology through AI and machine learning – the pinnacle of being on the forefront of machine learning advancing algorithms and models in order to improve its predictive power and reduce the time it takes to find a viable molecule.

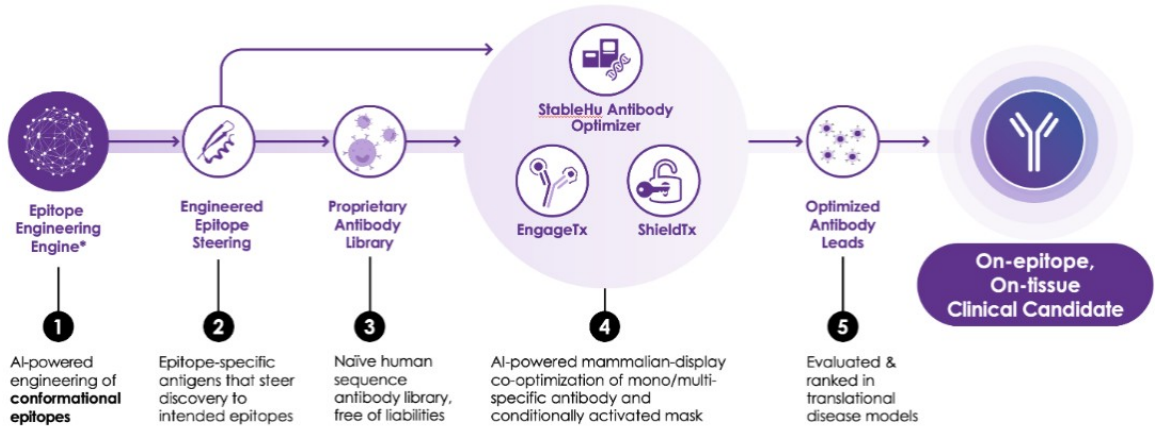
In essence, the Company is sculpting a future where cutting-edge AI-driven biotechnology propels the discovery of intricate biologics, fostering partnerships, accelerating innovation, and propelling the advancement of science.

AI Drug Discovery Platform

Overview

The Company's platform comprises five key components, each playing a crucial role in the discovery and optimization of precision antibodies.

The first layer, epitope engineering, leverages the patented AI-engine to target specific regions of proteins, allowing the Company to engineer antibodies with high specificity and efficacy. The second layer involves the proprietary antibody library, which is built on clinically validated frameworks and offers a rich diversity of human antibodies. The third layer of the technology stack is the antibody optimizing StableHu AI technology, coupled with mammalian display technology. Next, the Company uses its EngageTx T-cell engager platform to create bispecific antibodies. Finally, antibodies are transformed into conditionally activated antibodies by ShieldTx, the Company's antibody masking technology. Each layer of the tech stack is designed to work synergistically, enabling the Company to rapidly advance antibodies from concept to in vivo proof-of-concept (POC).



- **AI Epitope Steering Technology**

  The Company's epitope steering technology is designed to address these issues by guiding antibodies exclusively against the desired regions of the target protein. By focusing on these specific regions, the Company can overcome the limitations of traditional methods and significantly improve the efficiency and effectiveness of its antibody discovery process. The Company's AI engine creates engineered epitopes, which are small embodiments of epitopes on the target protein. The engine is trained to match the epitope structure as closely as possible and refine the designs for greater stability and water solubility, which are critically important factors. The optimized engineered epitope is then used to identify antibodies from naïve or immunized libraries.

- **Naïve Human Antibody Library**

  The fully human antibody library is built upon clinically validated, entirely human antibody frameworks. By leveraging public databases, the Company has extracted a diverse array of Complementarity-Determining Region ("CDR") sequences. Subsequently, it has meticulously eliminated a range of sequence liabilities. Such careful curation process could potentially significantly reduce the development risk for antibodies identified from the Company's library.

- **StableHu AI Antibody-Optimizing Technology**

  The Company's proprietary StableHu technology is instrumental in the optimization process. StableHu is an AI-powered tool designed to predict a library of antibodies with fully human CDR variants based on an input antibody. This input can range from an early, unoptimized molecule to an approved drug. The model has been trained utilizing a set of over 1 billion human antibodies, progressively masking known amino acids within CDRs until the algorithm could predict the correct human sequence.

  While phage display libraries are often used in antibody optimization due to their vast diversity, they can increase developability risks such as low expression, instability, or aggregation of antibodies. Mammalian display libraries, on the other hand, offer significantly improved developability but reduced diversity due to the smaller library size they can handle. StableHu overcomes this limitation by utilizing a machine learning algorithm generating focused library diversity within the capacity of mammalian display.

  Mammalian display is a technology that presents antibodies on the surface of mammalian cells, allowing for the direct screening and selection of antibodies in a mammalian cell environment. This approach is advantageous as antibodies that express well on the mammalian cells used in the display are more likely to express well in the production cell line. Moreover, single-cell sorting of antibody-displaying cells allows rapid selection of desired antibodies based on multiple dimensions, such as potency, selectivity, and cross-species selectivity.

When paired with mammalian display technology, StableHu enables antibody optimization with fewer iterative optimization steps, lower immunogenicity risk, and improved developability.

- **EngageTx CD3-Based T-Cell Engager Panel**

  The Company has used antibodies from an epitope steering campaign as well as a first-generation T-cell engager as input and utilized its StableHu technology to identify a next-generation CD3 antibody panel. The sequence diversity generated by StableHu led to an antibody panel with a wide range of potencies, which allows the Company to pair the panel with a wide variety of tumor-targeting antibodies. Importantly, the Company was able to retain T-cell activation and tumor cell killing capacity with significantly reduced cytokine release. This reduction is believed to lower the risk of cytokine release syndrome. Additionally, the increased humanness of the predicted antibodies, thanks to the Company's StableHu technology, has the ability to reduce the risk of immunogenicity.

  Furthermore, the Company's StableHu technology enabled it to engineer NHP cross-reactivity into EngageTx. This allows for advanced safety assessment in NHP ahead of clinical trials, providing another layer of safety assurance.

- **ShieldTx**

  The Company has enhanced its proprietary technology with the introduction of ShieldTx, a patent-pending innovative antibody masking technique. ShieldTx leverages the Company's engineered epitope technology, which is utilized not only for the identification of antibodies against complex drug targets but also for concealing the antibodies' active sites. A significant hurdle in therapeutic antibody development is the expression of drug target on both healthy and diseased tissues, leading to adverse effects on non-targeted tissues. ShieldTx is designed to address this challenge by rendering antibodies inactive until they reach a specific environment unique to diseased tissues. Upon contact with this environment, the masking element is detached, activating the antibody. In the tumor microenvironment this is achieved by a highly expressed matrix metalloproteinase. This strategy aims to minimize or eliminate unintended effects on healthy tissues, thereby improving the safety profile and reducing the immunogenicity risks associated with bispecific antibodies.

Modalities

Epitope steering, an innovative AI-based technology the Company is pioneering, has the potential to positively impact various areas of medicine. Foremost in immuno-oncology, this technology is instrumental in creating targeted antibodies against specific cancer antigens, potentially enhancing the efficacy of treatments like checkpoint inhibitors and CAR-T therapies.

Similarly, in the battle against obesity and cardiometabolic disorders, epitope steering enables the discovery of therapeutics aimed at systemic secreted and cell-surface agents—key factors in these prevalent health issues. Its application could potentially lead to emerging treatments in cardiovascular diseases by targeting specific damaged tissues.

Beyond these areas, epitope steering may contribute to advancements in treating immune system diseases, neurological conditions, infectious diseases, and rare genetic disorders. In the specialized field of intratumoral immuno-oncology, there is potential for epitope steering to modify the tumor microenvironment, which could improve the outcomes of immune-stimulatory protein therapies. Additionally, the precision offered by epitope steering could play a role in the next generation of cancer vaccines, aiming to enhance T cell responses.

While the prospects are broad, epitope steering remains a hopeful strategy in the development of novel treatments, extending through pain management, and potentially even vaccine development for complex protein structures that have been difficult to target.

Partnerships

As noted above, one of the three pillars of value creation that structures the Company's strategic business approach are strategic partnerships. At the center of such pillar is the Company's AI Discovery Platform.

In June 2023, the Company entered into a research collaboration with the National Institute of Allergy and Infectious Diseases ("NIAID"), a component of the National Institutes of Health ("NIH"), to investigate the potential of the Company's patented AI-driven epitope steering platform for the development of a vaccine for Lassa fever, a sometimes fatal viral disease endemic to parts of West Africa. Under the collaboration, the Company worked with the NIAID's Vaccine Research Center to determine whether using the Company's AI Discovery Platform to steer immunity toward viral epitopes identified by the vaccine center's researchers could offer advantages over other vaccine development approaches. The Company designed ten engineered epitopes for the collaboration, which were screened for binding to three known Lassa fever neutralizing antibodies, alongside the NIAID 's Vaccines Research Center's internal epitope designs. Importantly, the Company's engineered epitopes showed binding to the Lassa neutralizing antibodies and were

among the top-ranked hits regarding expression, an important consideration for cost-effective vaccine production. While the NIAID elected not to proceed with joint optimization of the lead hits, the Company enhanced its discovery process as a result of the collaboration, incorporating diffusion-based generative AI models into its engineered epitope designs. The new models are already contributing to the Company's pipeline development and are being used with current partners.

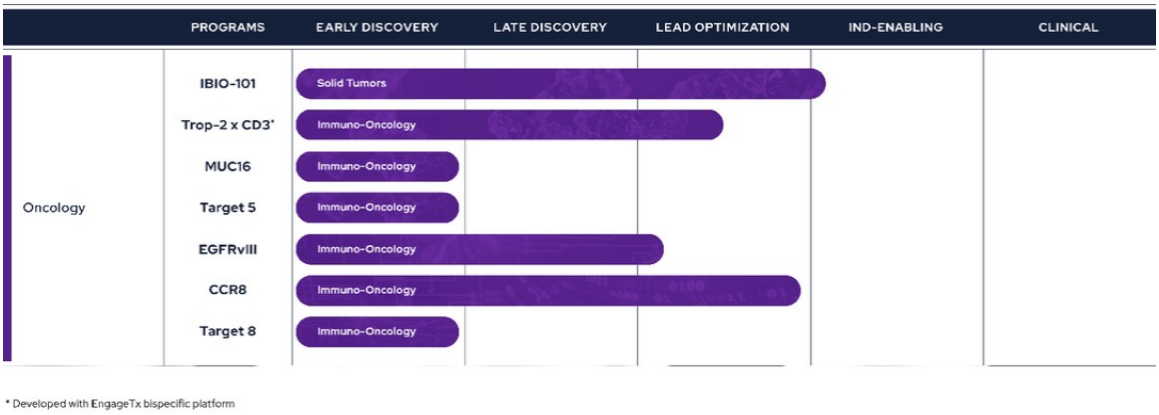
During the first quarter FY 2024, the Company entered into a collaboration with a partner to license the use of the Company's AI Discovery Platform to assist such partner with two targets of interest. During the second quarter FY 2024, the Company entered into a collaboration with a large pharmaceutical company to assist such partner by using the Company's patented AI-driven epitope steering platform to assist with one "hard to develop" molecule.

In March 2024, the Company entered into a collaboration with AstralBio, Inc., ("AstralBio"). As part of the collaboration, the Company has granted an exclusive license to its AI-powered technology to identify and engineer four (4) targets for the treatment of cardiometabolic disease, of which AstralBio may continue the pre-clinical development and deploy its drug development expertise to advance candidates to an Investigational New Drug (IND) application. The Company has the exclusive option to license three (3) cardiometabolic targets from AstralBio and will receive the rights to develop, manufacture and commercialize those targets upon exercise. As a result of this collaboration, iBio and AstralBio have agreed to initiate the development of a novel lead program focused on targeting the transforming growth factor beta (TGFb) superfamily for the treatment of muscle wasting and obesity.

The Company continues to seek out opportunities for future collaborations using the Company's AI Discovery Platform.

Pipeline

The Company is currently in the process of building and advancing its pipeline. The focus of the Company's pipeline is expanding beyond immuno-oncology, with the addition of obesity and cardiometrabolic diseases. By leveraging its technology stack, the pipeline is geared towards hard-to-drug targets and molecules offering differentiation. To reduce target risk and leverage competitor insights, one of the Company's strategic approaches involves focusing on best-in-class therapies. The Company's approach by targeting molecules that have already been partially validated allows the Company to benefit from the progress made by others in the field. A second strategy is dedicated to pioneering first-in-class therapies. Utilizing the Company's AI Discovery Platform, it innovates by creating antibodies aimed at hard-to-drug targets, maximizing the potential of our cutting-edge technology.



Therapeutics

Immuno-Oncology

IBIO-101

In August 2021, the Company signed a worldwide exclusive licensing agreement with RubrYc to develop and commercialize RTX-003 (now referred to as IBIO-101), an anti-CD25 mAb. In September 2022, the Company acquired exclusive ownership rights to IBIO-101. IBIO-101 is a second-generation anti-CD25 mAb that has demonstrated in preclinical models of disease the ability to bind and deplete immunosuppressive regulatory T ("Treg") cells to inhibit the growth of solid tumors.

Targeting depletion of Treg cells to control tumors emerged as an area of interest in oncology over the past several years. Since Treg cells express interleukin-2 Rα ("IL-2Rα" or "CD25"), it was envisioned mAbs could be developed that bind CD25 and thereby trigger depletion by Natural Killer cells, resulting in stimulation of anti-tumor immunity.

Unfortunately, while first-generation mAbs successfully bound $CD25^+$ cells, they also interfered with interleukin-2 ["IL-2"] signaling to T effector ("Teff") cells to activate their cancer cell killing effects. The result was a failure of first-gen anti-CD25 mAbs as cancer immunotherapies, since their favorable anti-Treg effects were negated by their unfavorable impact on Teff cells.

In a humanized mouse disease model, IBIO-101, when used as a monotherapy, effectively demonstrated its mechanism of action by significantly enhancing the Treg/Teff ratio, resulting in the suppression of tumor growth. When paired with an anti-PD-1 checkpoint inhibitor in the same model, the combined treatment of IBIO-101 and anti-PD-1 exhibited superior tumor inhibition compared to either anti-PD-1 or IBIO-101 used independently.

The Company continues to advance its IL-2 sparing anti-CD25 antibody, IBIO-101, and intends moving the program from IND-enabling stage to an IND filing during the calendar year 2025, subject to positive competitor data and funding availability.

TROP-2 x CD3 Bispecific

The Company has identified highly potent, fully human TROP-2 (Trophoblast Cell Surface Antigen 2) monoclonal antibodies, which have been formatted into bispecific TROP-2 x CD3 molecules using its T-cell engager antibody panel, EngageTx. TROP-2 is highly expressed in multiple solid tumors, including breast, lung, colorectal, and pancreatic cancers and is closely linked to metastasis and tumor growth. TROP-2 antibody drug conjugates have been developed to deliver toxic payloads to these cancer cells but could risk harming healthy cells and cause adverse effects. The Company's bispecific approach has the potential to increase the therapeutic window, while promoting a robust and long-lasting anti-tumor response. Combining the bispecific TROP-2 approach with immunotherapies like checkpoint inhibitors can potentially lead to improved clinical outcomes.

Using EngageTx, the Company's lead TROP-2 x CD3 bispecific antibody was engineered to potently kill tumor cells while limiting the release of cytokines, like Interferon Gamma ("IFNg"), Interleukin 2 (IL-2) and Tumor Necrosis Factor Alpha ("TNFa"), all of which have the potential to cause cytokine release syndrome. When compared to a bispecific molecule engineered with the Company's TROP-2 binding arm and a first generation CD3 engager, SP34, its lead TROP-2 x CD3 bispecific antibody showed a markedly reduced cytokine release profile, potentially indicating a decreased risk for cytokine release syndrome.

When tested in a humanized mouse model of squamous cell carcinoma, the Company's lead TROP-2 x CD3 bi-specific antibody demonstrated a significant 36 percent reduction in tumor size within just 14 days after tumor implantation, and after only a single dose.

MUC16

MUC16 is a well-known cancer target often overexpressed in several types of solid tumors, including ovarian, lung, and pancreatic cancers. Specifically, MUC16 is a large extracellular protein expressed on more than 80% of ovarian tumors. Tumor cells can evade immune attack by shedding or glycosylating MUC16, making it difficult for traditional antibody therapies to effectively target and destroy the cancer cells.

The Company's patented epitope steering AI platform, its innovative approach to this challenge allows its new mAbs to bind to a specific region of MUC16 that is not shed or glycosylated, circumventing both tumor evasion mechanisms and potentially providing a powerful tool in the fight against cancer. During its immunization and screening campaign, the Company identified several hits that specifically bound to the non-shed region of MUC16 while no binding to the shed fragment of MUC16 was observed. During pre-clinical studies, the Company's MUC16 molecule has demonstrated binding to MUC16 on OVCAR-3 ovarian cancer cells. After engineering the leading MUC16 molecule with a fully human framework, the MUC16 molecule retained potent binding to the engineered epitope and maintained binding to human OVCAR-3 ovarian cancer cells. The Company has utilized its EngageTx platform to engineer MUC16 x CD3 bispecific antibodies and has further optimized the molecules to be double-masked on the MUC16 and the CD3 binding arms of the antibody.

EGFRvIII

EGFRvIII is a specific variant of the EGFR protein, unique to tumor cells. Unlike the more common EGFR, EGFRvIII is not found in healthy cells, making it an attractive target for therapeutic interventions. This variant is most prominently associated with glioblastoma, a type of brain cancer and head and neck cancer but can also be present in certain cases of breast, lung, and ovarian cancers, among others. In the Company's pursuit of innovative treatments, iBio is exploring antibody therapeutics that specifically target EGFRvIII, aiming to address these cancer types without affecting healthy cells.

Leveraging the Company's patented AI-enabled epitope steering engine, it has specifically directed antibodies to target a unique epitope found exclusively on EGFRvIII, and not on the wildtype receptor, EGFR. Through this precision approach, iBio has designed tumor-specific molecules aimed at selectively targeting cancer cells while preserving healthy ones, potentially offering patients a more focused and safer therapeutic solution.

The Company's hit molecules have demonstrated strong binding to the tumor-specific EGFRvIII protein without targeting the wildtype EGFR. Additionally, these molecules have effectively eliminated tumor cells, while sparing healthy ones, in in vitro cell killing tests. The Company's lead anti-EGFRvIII antibody was specially engineered to enhance its ability to attack cancer cells and has proven effective in a mouse model for head and neck cancer. In preclinical studies, its anti-EGFRvIII antibody demonstrated a 43 percent reduction in tumor growth compared to untreated animals.

CCR8

GPCRs are one of the most successful therapeutic target classes, with approximately one-third of all approved drugs targeting these proteins. Compared to small molecule-based GPCR drugs, antibody-based GPCR therapeutics potentially offer several potential advantages, including superior selectivity, extended mechanisms of action, and longer half-life. However, GPCRs are intricate, multi-membrane spanning receptors, making clinically relevant regions difficult to identify and target.

The chemokine receptor CCR8 is a GPCR which is predominantly expressed on Tregs, which play a role in suppressing immune responses. In the context of cancer, Tregs can inhibit the body's natural immune response against tumor cells, promoting cancer progression. Anti-CCR8 antibodies are being explored as a therapeutic strategy to deplete these Tregs in the tumor environment. By targeting and reducing Tregs using anti-CCR8 antibodies, the hope is to enhance the body's immune response against cancer cells, offering a promising avenue for cancer treatment.

Aiming directly at CCR8 is believed to be a safer approach because it focuses on specific suppressive Treg cells in the tumor environment without affecting other immune cells and functions. It is important to make sure antibodies are fine-tuned to CCR8 and don't mistakenly target a similar receptor, CCR4. This is because CCR4 is found in many immune cells, and accidentally targeting it could potentially lead to unwanted side effects.

Using the Company's unique AI-driven technology, it has successfully identified molecules targeting CCR8, addressing some of the hurdles often faced when creating therapies that target GPCR with antibodies. The Company's specialized anti-CCR8 antibody has shown strong attachment to cells expressing CCR8 and effectively disrupted the CCR8 signaling process, resulting in the efficient elimination of Tregs derived from primary human immune cells. Notably, the Company's CCR8-focused molecule did not attach to cells overproducing CCR4, highlighting its precision in targeting only CCR8.

The Company's CCR8 antibody has proven effective in a mouse model for colon cancer. Preclinical studies show its anti-CCR8 molecule inhibited tumor growth and achieved a 22 percent reduction in tumor size compared to its pre-treatment dimensions. The Company has specifically engineered the anti-CCR8 molecule as a high Antibody-Dependent Cellular Cytotoxicity (ADCC) antibody to enhance its ability to attack cancer cells.

Obesity and Cardiometabolic Diseases

Anti-Myostatin Antibody

Myostatin, also known as growth differentiation factor 8 (GDF8), is a transforming growth factor-β (TGF-β) family member that functions to limit skeletal muscle growth. Loss-of-function mutations in myostatin result in a pronounced increase in muscle mass in humans and various animals, while its overexpression leads to severe muscle atrophy. Myostatin also elicits effects on bone metabolism, as demonstrated by enhanced bone mineral density and bone regeneration in myostatin deficient mice.

The Company aims to use its AI-driven technology, specifically its StableHu AI technology and mammalian display to identify

molecules that are differentiated against competitor anti-myostatin antibodies. The discovery campaign will be designed to, among other goals, optimize potency, specificity, developability and half-life of novel molecules.

Anti-myostatin therapies are most validated for their role in enhancing muscle growth and differentiation in animals. However, they may also positively impact other tissues, such as bone and adipose tissue, either directly or indirectly. Such multifaceted benefits position anti-myostatin treatments as promising options for a spectrum of human conditions, including obesity, sarcopenia, and diabetes, among others.

2. Basis of Presentation

Interim Condensed Consolidated Financial Statements

The accompanying unaudited condensed consolidated financial statements have been prepared from the books and records of the Company and include all normal and recurring adjustments which, in the opinion of management, are necessary for a fair presentation in accordance with accounting principles generally accepted in the United States ("U.S. GAAP") for interim consolidated financial information and Rule 8-03 of Regulation S-X promulgated by the U.S. Securities and Exchange Commission (the "SEC"). Accordingly, these interim financial statements do not include all of the information and footnotes required for complete annual consolidated financial statements. Interim results are not necessarily indicative of the results that may be expected for the full year. Interim unaudited condensed consolidated financial statements should be read in conjunction with the audited financial statements and the notes thereto included in the Company's Annual Report on Form 10-K for the prior year ended June 30, 2023, filed with the SEC on September 27, 2023 (the "Annual Report"), from which the accompanying condensed consolidated balance sheet dated June 30, 2023 was derived.

Principles of Consolidation

The condensed consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. All intercompany balances and transactions have been eliminated as part of the consolidation.

Going Concern

In accordance with ASU No. 2014-15, *Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern (Subtopic 205-40)*, the Company has evaluated whether there are conditions and events, considered in the aggregate, that raise substantial doubt about its ability to continue as a going concern within one year after the date that the condensed consolidated financial statements are issued.

The history of significant losses, the negative cash flow from operations, the upcoming maturity of the term note payable, the limited cash resources on hand and the dependence by the Company on obtaining additional financing to fund its operations after the current cash resources are exhausted raise substantial doubt about the Company's ability to continue as a going concern. Management's current financing and business plans have not mitigated such substantial doubt about the Company's ability to continue as a going concern for at least 12 months from the date of filing this Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2024. In an effort to mitigate the substantial doubt about continuing as a going concern and increase cash reserves, the Company has raised funds from time to time through equity offerings or other financing alternatives, sold certain intellectual property rights, reduced its work force by approximately 60% (a reduction of approximately 69 positions) in November 2022, and ceased operations of its 130,000 square foot cGMP facility located in Bryan, Texas (the "Facility") thereby reducing annual spend on expenses. The Facility is a life science building located on land owned by the Board of Regents of the Texas A&M University System ("Texas A&M") and was designed and equipped for the manufacture of plant-made biopharmaceuticals.

In July 2022, the Company initiated the selling of the CDMO assets and Facility, and since then has sold a substantial portion of the CDMO assets. (See Note 3 – Discontinued Operations for more information.)

Furthermore, on September 15, 2023, iBio CDMO LLC, or iBio CDMO, the Company's subsidiary, entered into a purchase and sale agreement, dated as of September 15, 2023 (the "Purchase and Sale Agreement"), with Majestic Realty Co., a California corporation, ("Majestic Realty"), which sale if consummated would have allowed the Company to pay all outstanding amounts under the secured term loan with Woodforest National Bank ("Woodforest") originally issued to iBio CDMO on November 1, 2021, in the amount of $22,375,000 (the "Term Loan"), with an outstanding balance of approximately $12.7 million as of March 31, 2024. (See Note 13 – Debt for more information.) On November 7, 2023, the Company received written notice from Majestic Realty of its election to terminate the Purchase and Sale Agreement. Although the Property (as such term is defined in Note 3 below) is listed for sale, the Company does not currently have a buyer for the Property (as such term is defined in Note 3 below) at a price that will allow us to pay the Term Loan in full. If a sale of the Facility is not consummated prior to the May 15, 2024 maturity date of the Term Loan and the maturity date is not further extended, the Company will not have sufficient funds to repay the Term Loan on its maturity date and support its operations for at least 12 months from the date of filing this Quarterly Report for the quarterly period ended March 31, 2024. There can be no

assurance that the Company will be able to sell the Property or that the Company will be able to sell the Property for an amount that will allow it to repay all outstanding amounts under the Term Loan.

During the first quarter ended on September 30, 2023, the Company completed at-the-market offerings and sold 170,989 shares of Common Stock for which it received approximately $1.7 million. The Company also sold 181,141 shares of common stock, par value $0.001 per share (the "Common Stock") under its purchase agreement entered into on August 4, 2023 (the "Purchase Agreement"), with Lincoln Park Capital Fund, LLC ("Lincoln Park") and received approximately $1.2 million in proceeds. During the second quarter ended December 31, 2023, the Company sold an additional 21,457 shares to Lincoln Park under the Purchase Agreement for approximately $0.1 million.

On December 7, 2023, the Company closed a public offering (the "2023 Offering") pursuant to which it sold in the 2023 Offering, (i) 600,000 shares (the "Shares") of the Company's Common Stock, (ii) 1,650,000 pre-funded warrants (the "2023 Pre-Funded Warrants") exercisable for an aggregate of 1,650,000 shares of Common Stock, (iii) 2,250,000 Series C common warrants (the "Series C Common Warrants") exercisable for an aggregate of 2,250,000 shares of Common Stock, and (iv) 2,250,000 Series D common warrants (the "Series D Common Warrants," and together with the Series C Common Warrants, the "Common Warrants") exercisable for an aggregate of 2,250,000 shares of Common Stock. A.G.P./Alliance Global Partners ("A.G.P.") acted as lead placement agent, and Brookline Capital Markets, a division of Arcadia Securities, LLC ("Brookline"), acted as co-placement agent (A.G.P. and Brookline are referred to herein, collectively, as the "Placement Agents") for the 2023 Offering. The Company received approximately $4.5 million in gross proceeds from the 2023 Offering, including the exercise of all 2023 Pre-Funded Warrants and prior to deducting placement agent fees and other estimated offering expenses payable by the Company and excluding the net proceeds, if any, from the exercise of the Common Warrants. (See Note 16 – Stockholders' Equity for more information.)

On February 25, 2024, the Company entered into an Asset Purchase Agreement (the "PD-1 Purchase Agreement") with Otsuka Pharmaceutical Co., Ltd. ("Otsuka") pursuant to which the Company sold and assigned to Otsuka, and Otsuka purchased and assumed, all intellectual property rights directly related to the Company's early-stage programmed cell death protein 1 ("PD-1") (the "PD-1 Assets") developed or held for development in consideration of $1,000,000 paid at closing. The PD-1 Purchase Agreement also provides for a potential contingent payment of $2,500,000 upon the achievement of specified developmental milestones and a second potential contingent payment of $50,000,000 upon the achievement of specified milestones following commercialization. The acquisition of the PD-1 Assets (the "PD-1 Acquisition") closed on February 25, 2024.

On March 26, 2024, the Company entered into a securities purchase agreement (the "PIPE Purchase Agreement") with several institutional investors and an accredited investor (the "Purchasers") for the issuance and sale in a private placement (the "Private Placement") of the following securities for gross proceeds of approximately $15.1 million: (i) 2,701,315 shares of the Company's common stock, par value $0.001 (the "Common Stock"), (ii) pre-funded warrants (the "Pre-Funded Warrants") to purchase up to 2,585,963 shares of the Company's Common Stock at an exercise price of $0.0001 per share, and (iii) Series E Common Stock purchase warrants (the "Series E Warrants") to purchase up to 5,287,278 shares of the Company's Common Stock at an exercise price of $2.64 per share. The Series E Warrants are exercisable at any time after the six-month anniversary of their issuance (the "Initial Exercise Date") at an exercise price of $2.64 per share and have a term of exercise equal to five years from the date of issuance. The combined purchase price for one share of common stock and the accompanying Series E Warrant was $2.85 and the purchase price for one Pre-Funded Warrant and the accompanying Series E Warrant was $2.849. Chardan Capital Markets, LLC ("Chardan") served as the exclusive placement agent in connection with the Private Placement and was paid (i) a cash fee equal to 6.0% of the aggregate gross proceeds of the Private Placement (reduced to 4.0% with respect to certain investors), and (ii) up to $50,000 for legal fees and other out-of-pocket expenses. The Private Placement closed on April 1, 2024. The Company received net proceeds of approximately $14.1 million from the Private Placement, after deducting estimated offering expenses payable by the Company, including placement agent fees and expenses, which was reported as a subscription receivable on the March 31, 2024 condensed consolidated balance sheet.

During the third quarter of Fiscal 2024, 414,000 of pre-funded warrants issued in 2023, 1,131,500 Series C Common Warrants and 1,006,500 Series D Common Warrants were exercised for proceeds of $4,276,000. In April 2024, 48,000 Series C Common Warrants and 48,000 Series D Common Warrants were exercised for proceeds of $192,000.

The Company's cash, cash equivalents and restricted cash were approximately $6.4 million as of March 31, 2024, which is inclusive of restricted cash of $1.1 million, of which $0.9 million was deposited in accordance with the Fourth Amendment with Woodforest. Subsequent to March 31, 2024, the Company received net proceeds from the Private Placement of approximately $14.1 million. As of the filing of this Quarterly Report, the Company's cash balance of approximately $17.9 million**,** which is inclusive of $1.1 million of restricted cash, is not anticipated to be sufficient to support operations through the first quarter of Fiscal 2025, unless the Company either sells the Facility prior to the May 15, 2024 maturity date for amounts near or above its Term Loan, the maturity date of the Term Loan is further extended, or the Term Loan is restructured. The Company is evaluating a potential transaction based on current interest in the Facility, which could minimize cash outlay and allow the Company to have a cash runway for at least 12 months from the date of

the filing of this Quarterly Report. However, there can be no assurance the Company will be successful in implementing any of the potential options it is evaluating.

The accompanying condensed consolidated financial statements do not include any adjustments related to the recoverability and classification of assets or the amounts and classification of liabilities that may result from the substantial doubt about the Company's ability to continue as a going concern.

Reverse Stock Split

On September 22, 2022, the Company's Board of Directors (the "Board") approved the implementation of a reverse stock split (the "Reverse Split") at a ratio of one-for-twenty-five (1:25) shares of the Company's Common Stock. The Reverse Split was effective as of October 7, 2022. All share and per share amounts of the Common Stock presented in this Quarterly Report have been retroactively adjusted to reflect the Reverse Split. See Note 16 – Stockholders' Equity for more information.

On November 27, 2023, the Company's Board approved the implementation of a reverse stock split (the "2023 Reverse Split") at a ratio of one-for-twenty (1:20) shares of the Company's Common Stock. The 2023 Reverse Split was effective as of November 29, 2023. All share and per share amounts of the Common Stock presented in this Quarterly Report have been retroactively adjusted to reflect the 2023 Reverse Split. See Note 16 – Stockholders' Equity for more information.

3. Discontinued Operations

On November 3, 2022, the Company announced it was seeking to divest its subsidiary, iBio CDMO, in order to complete its transformation into an antibody drug discovery and development company. In conjunction with the divestment, the Company commenced a workforce reduction of approximately 60% of the then current Company staffing levels (a reduction of approximately 69 positions). The Company substantially completed the employee reduction by January 2, 2023.

Through the process of seeking to divest its contract development and manufacturing organization, on February 10, 2023, the Company, entered into an Auction Sale Agreement (the "Auction Sale Agreement") with Holland Industrial Group, together with Federal Equipment Company and Capital Recovery Group LLC (collectively, the "Auctioneers") for the sale at public auction of equipment and other tangible personal property (the "Equipment") located at the Facility. The Auctioneer guaranteed an amount of gross proceeds from the sale of the Equipment of $2.1 million, which was paid to the Company on February 17, 2023. The auction, which commenced on March 24, 2023 and concluded on March 30, 2023, resulted in total proceeds of approximately $2.9 million. In accordance with the Auction Sale Agreement, the Company received 80% of the excess proceeds, after Holland Industrial Group's $0.2 million fee. Total proceeds received in Fiscal 2023 after selling the Equipment were approximately $2.6 million.

Additionally, iBio CDMO LLC entered into a Purchase and Sale Agreement to sell the Property to Majestic Realty for a purchase price of $17,250,000 consisting of: (i) the ground leasehold estate and interest held under the Ground Lease Agreement, dated March 8, 2010, as amended by an Estoppel Certificate and Amendment to Ground Lease Agreement, dated as of December 22, 2015, between iBio CDMO (as assignee from College Station Investors LLC) and the Board of Regents of the Texas A&M University System (together, the "Ground Lease"), related to 21.401 acres in Brazos County, Texas land (the "Land"); (ii) the buildings, parking areas, improvements, and fixtures situated on the Land (the "Improvements"); (iii) all iBio CDMO's right, title, and interest in and to furniture, personal property, machinery, apparatus, and equipment owned and currently used in the operation, repair and maintenance of the Land and Improvements and situated thereon (collectively, the "Personal Property"); (iv) all iBio CDMO's rights under the contracts and agreements relating to the operation or maintenance of the Land, Improvements or Personal Property which extend beyond the closing date (the "Contracts"); and (v) all iBio CDMO's rights in intangible assets of any nature relating to any or all of the Land, the Improvements and the Personal Property (the "Intangibles"; and together with the Ground Lease, Improvements and Personal Property, collectively, the "Property"). On November 7, 2023, the Company received written notice from Majestic Realty of its election to terminate the Purchase and Sale Agreement between Majestic Realty and iBio CDMO LLC, pursuant to which iBio CDMO had agreed to sell to Majestic Realty the Property. The Property continues to be listed for sale.

The Company incurred pre-tax charges of approximately $1.9 million in Fiscal 2023 for the employee reduction which consisted of severance obligations, continuation of salaries and benefits over a 60-day transitional period during which impacted employees remained employed but were not expected to provide active service, and other customary employee benefit payments in connection with an employee reduction. The Company further recorded a charge in discontinued operations for approximately $35.7 million in Fiscal 2023, of which approximately $17.9 million was the result of a fixed asset impairment charge (see Note 11 – Fixed Assets for more information), approximately $4.9 million to write down inventory to its net realizable value, approximately $7.5 million of personnel costs including severance, approximately $0.9 million of interest related to the term note payable, and the balance related to operational costs related to winding down the CDMO business.

The Company recorded additional fixed asset impairment charges in discontinued operations of $3.1 million during the second quarter of Fiscal 2024. See Note 5 - Financial Instruments and Fair Value Measurement for more information.

The results of iBio CDMO's operations are reported as discontinued operations for three and nine months ended March 31, 2024 and for the three and nine months ended March 31, 2023. In addition, those assets and liabilities associated with the discontinued operations of the CDMO that the Company intends to sell have been classified as “held for sale” on the condensed consolidated balance sheets at March 31, 2024 and as of June 30, 2023. The Company has chosen not to segregate the cash flows of iBio CDMO in the condensed consolidated statements of cash flows. Supplemental disclosures related to discontinued operations for the condensed consolidated statements of cash flows have been provided below. Unless noted otherwise, discussion in the Notes to the Condensed Consolidated Financial Statements refers to the Company's continuing operations.

The following tables present a reconciliation of the major financial lines constituting the results of operations for discontinued operations to the loss from discontinued operations presented separately in the condensed consolidated statements of operations and comprehensive loss (in thousands):

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Revenues	$ —	$ 205
Cost of goods sold	—	25
Gross profit	—	180
Operating expenses:		
Research and development	—	837
General and administrative	245	929
Gain on sale of fixed assets	—	(732)
Total operating expenses	245	1,034
Other expenses:		
Interest expense - term note payable	(292)	(158)
Other	—	(3)
Total other expenses	(292)	(161)
Loss from discontinued operations	$ (537)	$ (1,015)

	Nine Months Ended March 31, 2024	Nine Months Ended March 31, 2023
Revenues	$ —	$ 391
Cost of goods sold	—	52
Gross profit	—	339
Operating expenses:		
Research and development	—	6,361
General and administrative	916	6,165
Fixed asset impairments	3,100	17,600
Gain on sale of fixed assets	(50)	(732)
Inventory reserve	—	4,933
Total operating expenses	3,966	34,327
Other income (expenses):		
Interest expense - term note payable	(966)	(606)
Other	—	(4)
Total other expenses	(966)	(610)
Loss from discontinued operations	$ (4,932)	$ (34,598)

The following table presents net carrying values related to the major classes of assets that were classified as held for sale at March 31, 2024 and June 30, 2023 (in thousands):

	March 31, 2024	June 30, 2023
Current assets:		
Operating lease right-of-use assets	$ 1,933	$ 1,944
Property and equipment, net	13,024	16,424
Total current assets	$ 14,957	$ 18,368
Current liabilities:		
Operating lease obligation	$ 1,933	$ 1,944
Total current liabilities	$ 1,933	$ 1,944

The following table presents the supplemental disclosures related to discontinued operations for the condensed consolidated statements of cash flows (in thousands):

	Nine Months Ended March 31, 2024	Nine Months Ended March 31, 2023
Depreciation expense	$ —	$ 273
Amortization of finance lease right-of-use assets	8	20
Purchase of fixed assets	—	1,041
Fixed asset impairments	3,100	17,600
Inventory reserve	—	4,933
Sales proceeds of fixed assets	50	2,100
Investing non-cash transactions:		
Fixed assets included in accounts payable in prior period, paid in current period	—	1,542
Sales of fixed assets receivable	—	460
Supplemental cash flow information:		
Cash paid during the period for interest	490	469

4. Summary of Significant Accounting Policies

The Company's significant accounting policies are described in Note 4 of the Notes to Consolidated Financial Statements in the Annual Report on Form 10-K for the year ended June 30, 2023.

Use of Estimates

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. These estimates include liquidity assertions, the valuation of intellectual property and fixed assets held for sale, the incremental borrowing rate utilized in the finance and operating lease calculations, legal and contractual contingencies and share-based compensation. Although management bases its estimates on historical experience and various other assumptions that are believed to be reasonable under the circumstances, actual results could differ from these estimates.

Accounts Receivable

Accounts receivable are reported at their outstanding unpaid principal balances net of allowances for uncollectible accounts. The Company provides for allowances for uncollectible receivables based on its estimate of uncollectible amounts considering age, collection history, and other factors considered appropriate. Management's policy is to write off accounts receivable against the allowance for doubtful accounts when a balance is determined to be uncollectible. At March 31, 2024 and June 30, 2023, the Company determined that an allowance for doubtful accounts was not needed. The Company had accounts receivable of $1 million at June 30, 2022.

Revenue Recognition

The Company accounts for its revenue recognition under Accounting Standards Codification ("ASC") 606, Revenue from Contracts with Customers. A contract with a customer exists only when: (i) the parties to the contract have approved it and are committed to perform their respective obligations, (ii) the Company can identify each party's rights regarding the distinct goods or services to be transferred ("performance obligations"), (iii) the Company can determine the transaction price for the goods or services to be transferred, (iv) the contract has commercial substance and (v) it is probable that the Company will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer. The Company recognizes revenue when it satisfies its performance obligations by transferring control of a promised good or service to the customer. In addition, the standard requires disclosure of the nature, amount, timing, and uncertainty of revenue and cash flows arising from customer contracts.

The Company analyzes its contracts to determine whether the elements can be separately identifiable and accounted for individually or as a bundle of goods or services. Allocation of revenue to individual elements that qualify for performance obligations is based on the separate selling prices determined for each component, and total contract consideration is then allocated pro rata across the components of the arrangement. If separate selling prices are not available, the Company will use its best estimate of such selling prices, consistent with the overall pricing strategy and after consideration of relevant market factors.

If a loss on a contract is anticipated, such loss is recognized in its entirety when the loss becomes evident. When the current estimates of the amount of consideration that is expected to be received in exchange for transferring promised goods or services to the customer indicates a loss will be incurred, a provision for the entire loss on the contract is made. At March 31, 2024 and June 30, 2023, the Company had no contract loss provisions.

The Company generates (or may generate in the future) contract revenue under the following types of contracts:

Fixed-Fee

Under a fixed-fee contract, the Company charges a fixed agreed upon amount for a deliverable. Fixed-fee contracts have fixed deliverables upon completion of the project. Typically, the Company recognizes revenue for fixed-fee contracts after projects are completed, delivery is made and title transfers to the customer, and collection is reasonably assured.

Revenue can be recognized either 1) over time or 2) at a point in time. Revenue reported in discontinued operation was recognized at a point in time for all periods presented.

Collaborations/Partnerships

The Company may enter into research and discovery collaborations with third parties that involve a joint operating activity, typically a research and/or development effort, where both parties are active participants in the activity and are exposed to the significant risks and rewards of the activity. The Company's rights and obligations under its collaboration agreements vary and typically include milestone payments, contingent upon the occurrence of certain future events linked to the success of the asset in development, as well as expense reimbursements from or payments to the collaboration partner.

The Company considers the nature and contractual terms of agreements and assesses whether an agreement involves a joint operating activity pursuant to which the Company is an active participant and is exposed to significant risks and rewards dependent on the commercial success of the activity as described under ASC 808, *Collaborative Arrangements* ("ASC 808"). For arrangements determined to be within the scope of ASC 808 where a collaborative partner is not a customer for certain research and development activities, the Company accounts for payments received for the reimbursement of research and development costs as a contra-expense in the period such expenses are incurred. If payments from the collaborative partner to the Company represent consideration from a customer in exchange for distinct goods and services provided, then the Company accounts for those payments within the scope of ASC 606, *Revenue from Contracts with Customers* ("ASC 606").

Collaborative revenues generated typically include payment to the Company related to one or more of the following: non-refundable upfront license fees, development and commercial milestones, and partial or complete reimbursement of research and development costs.

For the nine months ended March 31, 2024, revenue in the amount of $50,000 was recognized from a non-refundable upfront license fee. No revenue was recognized for all other periods presented.

Contract Assets

A contract asset is an entity's right to payment for goods and services already transferred to a customer if that right to payment is conditional on something other than the passage of time. Generally, an entity will recognize a contract asset when it has fulfilled a contract obligation but must perform other obligations before being entitled to payment.

Contract assets consist primarily of the cost of project contract work performed by third parties for which the Company expects to recognize any related revenue at a later date, upon satisfaction of the contract obligations. At March 31, 2024 and June 30, 2023, contract assets were $0.

Contract Liabilities

A contract liability is an entity's obligation to transfer goods or services to a customer at the earlier of (1) when the customer prepays consideration or (2) the time that the customer's consideration is due for goods and services the entity will yet provide. Generally, an entity will recognize a contract liability when it receives a prepayment.

Contract liabilities consist primarily of consideration received, usually in the form of payment, on project work to be performed whereby the Company expects to recognize any related revenue at a later date, upon satisfaction of the contract obligations. At March 31, 2024, June 30, 2023 and June 30, 2022 contract liabilities were $175,000, $0 and $100,000, respectively. The Company recognized revenue of $53,000 and $100,000 during the three and nine months ended March 31, 2023, respectively, that was included in the contract liabilities balance as of June 30, 2022 and was reported in discontinued operations.

Leases

The Company accounts for leases under the guidance of ASC 842, *Leases* ("ASC 842"). The standard established a right-of-use ("ROU") model requiring a lessee to record a ROU asset and a lease liability on the balance sheet for all leases with terms longer than 12 months and classified as either an operating or finance lease. The adoption of ASC 842 had a significant effect on the Company's balance sheet, resulting in an increase in noncurrent assets and both current and noncurrent liabilities.

In accordance with ASC 842, at the inception of an arrangement, the Company determines whether the arrangement is or contains a lease based on the unique facts and circumstances present and the classification of the lease including whether the contract involves the use of a distinct identified asset, whether the Company obtains the right to substantially all the economic benefit from the use of the asset, and whether the Company has the right to direct the use of the asset. Leases with a term greater than one year are recognized on the balance sheet as ROU assets, lease liabilities and, if applicable, long-term lease liabilities. The Company has elected not to recognize on the balance sheet leases with terms of one year or less under practical expedient in paragraph ASC 842-20-25-2. For contracts with lease and non-lease components, the Company has elected not to allocate the contract consideration and to account for the lease and non-lease components as a single lease component.

The lease liabilities and the corresponding ROU assets are recorded based on the present value of lease payments over the expected remaining lease term. The implicit rate within the Company's existing finance (capital) lease was determinable and, therefore, used at the adoption date of ASC 842 to determine the present value of lease payments under the finance lease. The implicit rate within the Company's operating lease was not determinable and, therefore, the Company used the incremental borrowing rate at the lease commencement date to determine the present value of lease payments. The determination of the Company's incremental borrowing rate requires judgment. The Company will determine the incremental borrowing rate for each new lease using its estimated borrowing rate.

An option to extend the lease is considered in connection with determining the ROU asset and lease liability when it is reasonably certain the Company will exercise that option. An option to terminate is considered unless it is reasonably certain the Company will not exercise the option.

Cash, Cash Equivalents and Restricted Cash

The Company considers all highly-liquid instruments purchased with an original maturity of three months or less to be cash equivalents. Cash equivalents at March 31, 2024 and June 30, 2023 consisted of money market accounts. Restricted cash includes $0.9 million held within a Company account at Woodforest Bank for the term note payable (see Note 13 – Debt), collateral for a letter of credit obtained related to the San Diego operating lease (see Note 15 – Operating Lease Obligations) and collateral for a Company purchasing card. The Company's bank required an additional 5% collateral held above the actual letters of credit issued for the San Diego lease and Company purchasing card. Restricted cash was approximately $1.1 million and $3.3 million at March 31, 2024 and June 30, 2023, respectively.

The following table summarizes the components of total cash, cash equivalents and restricted cash in the condensed consolidated statements of cash flows (in thousands):

	March 31, 2024	June 30, 2023
Cash and equivalents	$ 5,302	$ 4,301
Collateral held for letter of credit - term note payable	914	3,025
Collateral held for letter of credit - San Diego lease	198	198
Collateral held for Company purchasing card	17	55
Total cash, cash equivalents and restricted cash	$ 6,431	$ 7,579

The collateral held for the letters of credit for the San Diego lease and the Company purchasing card are classified as long-term on the condensed consolidated balance sheets at March 31, 2024 and June 30, 2023.

Investments in Debt Securities

Debt investments were classified as available-for-sale. Changes in fair value were recorded in other comprehensive income (loss). Fair value was calculated based on publicly available market information. Discounts and/or premiums paid when the debt securities were acquired are amortized to interest income over the terms of the debt securities. The Company held no investments in debt securities at March 31, 2024 and June 30, 2023.

Inventory

Inventory is stated at the lower of cost or net realizable value on the first-in, first-out basis. The Company held no inventory at March 31, 2024 and June 30, 2023.

Research and Development

The Company accounts for research and development costs in accordance with the Financial Accounting Standards Board ("FASB") ASC 730-10, *Research and Development* ("ASC 730-10"). Under ASC 730-10, all research and development costs must be charged to expense as incurred. Accordingly, internal research and development costs are expensed as incurred. Third-party research and development costs are expensed when the contracted work has been performed or as milestone results have been achieved. Research and development expense was reported in continuing operations for the three and nine months ended March 31. 2024. No research and development expense was reported in discontinued operations for the three and nine months ended March 31, 2024. Research and development expense was reported in both continuing operations and discontinued operations for the three and nine months ended March 31, 2023.

Right-of-Use Assets

Assets held under the terms of finance (capital) leases are amortized on a straight-line basis over the terms of the leases or the economic lives of the assets. Obligations for future lease payments under finance (capital) leases are shown within liabilities and are analyzed between amounts falling due within and after one year. See Note 9 – Finance Lease ROU Assets and Note 14 – Finance Lease Obligations for additional information.

Fixed Assets

Fixed assets are stated at cost net of accumulated depreciation. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets ranging from three to 10 years.

The Company monitors fixed assets for impairment indicators throughout the year. When necessary, charges for impairments of long-lived assets are recorded for the amount by which the fair value is less than the carrying value of these assets. Changes in the Company's business strategy or adverse changes in market conditions could impact impairment analyses and require the recognition of an impairment charge. Although management bases its estimates on historical experience and various other assumptions that are believed to be reasonable under the circumstances, actual results could differ from these estimates.

See Note 11 – Fixed Assets for additional information.

Intangible Assets

Identifiable intangible assets are comprised of definite life intangible assets and indefinite life intangible assets.

The Company accounts for definite life intangible assets at either their historical cost or allocated purchase price at asset acquisition and records amortization utilizing the straight-line method based upon their estimated useful lives. Intellectual property is amortized over 20 years. The Company reviews the carrying value of its definite life intangible assets for impairment whenever events or changes in business circumstances indicate the carrying amount of such assets may not be fully recoverable. The carrying value is not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the asset. An impairment loss is measured as the amount by which the carrying amount exceeds it fair value.

For indefinite life intangible assets, the Company performs an impairment test annually and whenever events or changes in circumstances indicate the carrying value of an asset may not be recoverable. The Company determines the fair value of the asset annually or when triggering events are present, based on discounted cash flows and records an impairment loss if book value exceeds fair value.

Evaluating for impairment requires judgment, including the estimation of future cash flows, future growth rates and profitability and the expected life over which cash flows will occur. Changes in the Company's business strategy or adverse changes in market conditions could impact impairment analyses and require the recognition of an impairment charge. Although management bases its estimates on historical experience and various other assumptions that are believed to be reasonable under the circumstances, actual results could differ from these estimates.

See Note 12 – Intangible Assets for additional information.

Share-based Compensation

The Company recognizes the cost of all share-based payment transactions at fair value. Compensation cost, measured by the fair value of the equity instruments issued, adjusted for estimated forfeitures, is recognized in the financial statements as the respective awards are earned over the performance or service period. The Company uses historical data to estimate forfeiture rates.

The impact that share-based payment awards will have on the Company's results of operations is a function of the number of shares awarded, the trading price of the Company's stock at the date of grant or modification, the vesting schedule and forfeitures. Furthermore, the application of the Black-Scholes option pricing model employs weighted-average assumptions for expected volatility of the Company's stock, expected term until exercise of the options, the risk-free interest rate, and dividends, if any, to determine fair value.

Expected volatility is based on historical volatility of the Common Stock; the expected term until exercise represents the weighted-average period of time that options granted are expected to be outstanding giving consideration to vesting schedules and the Company's historical exercise patterns; and the risk-free interest rate is based on the U.S. Treasury yield curve in effect at the time of grant for periods corresponding with the expected life of the option. The Company has not paid any dividends since its inception and does not anticipate paying any dividends for the foreseeable future, so the dividend yield is assumed to be zero. In addition, the Company estimates forfeitures at each reporting period, rather than electing to record the impact of such forfeitures as they occur. See Note 18 – Share-Based Compensation for additional information.

Concentrations of Credit Risk

Cash

The Company maintains principally all cash balances in two financial institutions which, at times, may exceed the insured amounts. The exposure to the Company is solely dependent upon daily balances and the strength of the financial institutions. The Company has not incurred any losses on these accounts. At March 31, 2024 and June 30, 2023, amounts in excess of insured limits were approximately $5.9 million and $6.9 million, respectively.

Revenue

During the three months ended March 31, 2024, the Company reported no revenue from continuing operations and discontinued operations. During the three months ended March 31, 2023, the Company reported no revenue from continuing operations and generated 100% of its revenue reported in discontinued operations from two customers.

During the nine months ended March 31, 2024, the Company reported license revenue from one research collaborator in continuing operations and no revenue in discontinued operations. During the nine months ended March 31, 2023, the Company reported no revenue from continuing operations and generated 100% of its revenue reported in discontinued operations from two customers.

Recently Issued Accounting Pronouncements

In June 2016, the FASB issued Accounting Standards Update ("ASU") 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments* ("ASU 2016-13"), which requires an entity to assess impairment of its financial instruments based on its estimate of expected credit losses. Since the issuance of ASU 2016-13, the FASB released several amendments to improve and clarify the implementation guidance. In November 2019, the FASB issued ASU 2019-10, *Financial Instruments - Credit Losses (Topic 326), Derivatives and Hedging (Topic 815), and Leases (Topic 842): Effective Dates*, which amended the effective date of the various topics. As the Company is a smaller reporting company, the provisions of ASU 2016-13 and the related amendments are effective for Fiscal years, and interim periods within those Fiscal years, beginning after December 15, 2022 (quarter ending September 30, 2023, for the Company). Entities are required to apply these changes through a cumulative-effect adjustment to retained earnings as of the beginning of the first reporting period in which the guidance is effective. The adoption of ASU 2016-13 did not impact the Company's condensed consolidated financial statements.

Management does not believe that any other recently issued, but not yet effective, accounting standard if currently adopted would have a material effect on the accompanying condensed consolidated financial statements. Most of the newer standards issued represent technical corrections to the accounting literature or application to specific industries which have no effect on the Company's condensed consolidated financial statements.

5. Financial Instruments and Fair Value Measurement

The carrying values of cash and cash equivalents, restricted cash, accounts receivable, accounts payable and term note payable in the Company's condensed consolidated balance sheets approximated their fair values as of March 31, 2024 and June 30, 2023 due to their short-term nature. The carrying value of the promissory note receivable, the term note payable and finance lease obligation approximated to fair value as of March 31, 2024 and June 30, 2023 as the interest rates related to the financial instruments approximated market.

The Company accounts for its investments in debt securities at fair value. The following provides a description of the three levels of inputs that may be used to measure fair value under the standard, the types of investments that fall under each category, and the valuation methodologies used to measure these investments at fair value:

- *Level 1* – Inputs are based upon unadjusted quoted prices for identical instruments in active markets.
- *Level 2* – Inputs to the valuation include quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability, and inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability. All debt securities were valued using Level 2 inputs.
- *Level 3* – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The Company's fixed assets and amortizable intangible assets are measured at fair value on a nonrecurring basis; that is, these assets are not measured at fair value on an ongoing basis, but are subject to fair value adjustments in certain circumstances, such as when there is evidence of impairment.

The Company initially marketed the CDMO business and during the second quarter of Fiscal 2023, changed its strategy to selling the stand-alone CDMO assets, including the Facility and Equipment. These assets were assessed for impairment and the analysis resulted in the expected future cash flows from the sale of the Facility and Equipment falling below its carrying value. The Company utilized a market approach, using independent third-party appraisals, including comparable assets, in addition to bids received from prospective buyers, to estimate the fair value of the Facility and Equipment. As a result, the carrying value of the Facility and Equipment was reduced to their estimated fair values of $16,350,000 and $2,100,000, respectively. In the second quarter of Fiscal 2023, impairment charges were recorded in discontinued operations of $6,300,000 and $11,300,000 for the Facility and Equipment, respectively. In the first quarter of Fiscal 2024, the Company entered into an Purchase and Sale Agreement for the sale of the Property for approximately $17.25 million, and an additional impairment of $0.3 million was recorded in the fourth quarter of Fiscal 2023 to reflect the agreed upon sales price less estimated costs to sell. The carrying amount of the CDMO fixed assets after impairment on June 30, 2023 was approximately $16.1 million. On November 7, 2023, the Company received written notice from Majestic Realty of its election to terminate the Purchase and Sale Agreement, dated as of September 15, 2023, between Majestic Realty and iBio CDMO LLC, pursuant to which iBio CDMO had agreed to sell to Majestic Realty the Property. Upon receiving the termination notice, the Company reassessed the CDMO fixed assets

for impairment which included obtaining appraisal values as of November 9, 2023. The Company utilized a market approach, using an independent third-party appraisal, including comparable assets, in addition to bids received from prospective buyers, to estimate the fair value of the Facility and concluded that fair value of the assets approximated their carrying value and no further impairment was required at that time. The CDMO Equipment was sold during the third quarter of Fiscal 2023.

During the second quarter of Fiscal 2024, the Company made the decision to auction the Facility. The Company utilized a market approach, using an independent third-party appraisal, including comparable assets, to estimate the fair value of the Facility. An additional $3.1 million fixed asset impairment was recorded the second quarter of Fiscal 2024 in discontinued operations to write down the carrying value of the Facility to fair value.

During the third quarter of Fiscal 2024, the Company utilized a market approach, using an independent third-party appraisal, including comparable assets, in addition the Company considered previous bids from prospective buyers and the nearing maturity date of the term note and concluded that fair value of the assets approximated their carrying value and no further impairment was required.

The following table shows the fair value of the Company's fixed assets included in Current Assets Held For Sale measured at fair value on a non-recurring basis as of March 31, 2024 (amounts in thousands):

	March 31, 2024 Fair Value Hierarchy				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Fair Value	Total Impairments
Building in Bryan, Texas	$ —	$ —	$ 12,964	$ 12,964	$ 9,700

During the second quarter of Fiscal 2023, the Company re-evaluated its business strategy and reviewed its product portfolio. After such review, the Company identified intellectual property, patent and licenses that would no longer be utilized and therefore were fully impaired (Level 3). See Note 12 – Intangible Assets for additional information.

6. Significant Transactions

Affiliates of Eastern Capital Limited

On November 1, 2021, the Company and its subsidiary, iBio CDMO LLC ("iBio CDMO", and collectively with the Company, the "Purchaser") entered into a series of agreements (the "Transaction") with College Station Investors LLC ("College Station"), and Bryan Capital Investors LLC ("Bryan Capital" and, collectively with College Station, "Seller"), each affiliates of Eastern Capital Limited ("Eastern," a former significant stockholder of the Company) described in more detail below whereby in exchange for a certain cash payment and a warrant the Company:

(i) acquired both the Facility where iBio CDMO at that time and currently conducts business and also the rights as the tenant in the Facility's ground lease;

(ii) acquired all of the equity owned by one of the affiliates of Eastern in the Company and iBio CDMO; and

(iii) otherwise terminated all agreements between the Company and the affiliates of Eastern.

iBio CDMO had held a sublease for the Facility through 2050, subject to extension until 2060 (the "Sublease") until the purchase of the Facility by the Purchaser as described below.

The Purchase and Sale Agreement

On November 1, 2021, the Purchaser entered into a Purchase and Sale Agreement (the "PSA") with the Seller pursuant to which: (i) the Seller sold to the Purchaser all of its rights, title and interest as the tenant in the Ground Lease Agreement (the "Ground Lease Agreement") that it entered into with Texas A&M (the "Landlord") related to the land at which the Facility is located together with all improvements pertaining thereto (the "Ground Lease Property"), which previously had been the subject of the Sublease; (ii) the Seller sold to Purchaser all of its rights, title and interest to any tangible personal property owned by Seller and located on the Ground Lease Property including the Facility; (iii) the Seller sold to Purchaser all of its rights, title and interest to all licensed, permits and authorization for use of the Property; and (iv) College Station and iBio CDMO terminated the Sublease. The total purchase price for the Ground Lease

Property, the termination of the Sublease and other agreements among the parties, and the equity described below was $28,750,000, which was paid $28,000,000 in cash and by the issuance to Seller of warrants (the "Warrant") described below. As part of the transaction, iBio CDMO became the tenant under the Ground Lease Agreement for the Ground Lease Property until 2060 upon exercise of available extensions. The base rent payable under the Ground Lease Agreement, which was $151,450 for the current year, is 6.5% of the Fair Market Value (as defined in the Ground Lease Agreement) of the Property. The Ground Lease Agreement includes various covenants, indemnities, defaults, termination rights, and other provisions customary for lease transactions of this nature.

As discussed above, iBio CDMO is being accounted for as a discontinued operation. As such, the assets acquired and/or leased are now classified as assets held for sale on the March 31, 2024 and June 30, 2023 condensed consolidated balance sheets.

The Equity Purchase Agreement

The Company entered into an Equity Purchase Agreement with Bryan Capital on November 1, 2021 (the "Equity Purchase Agreement") pursuant to which the Company acquired for $50,000 cash, plus the Warrant, the one (1) share of iBio CMO Preferred Tracking Stock and the 0.01% interest in iBio CDMO owned by Bryan Capital. As a result, iBio CDMO is now a wholly-owned subsidiary of the Company.

The Credit Agreement

In connection with the PSA, iBio CDMO entered into a Credit Agreement (the "Credit Agreement"), dated November 1, 2021, with Woodforest pursuant to which Woodforest provided iBio CDMO a $22,375,000 Term Loan to purchase the Facility, which Term Loan is evidenced by a term note. The Term Loan was advanced in full on the closing date. See Note 13 – Debt for further information of the Term Loan.

The Warrant

As part of the consideration for the purchase and sale of the rights set forth above, the Company issued to Bryan Capital a Warrant to purchase 2,579 shares of the Common Stock at an exercise price of $665 per share. The Warrant expires October 10, 2026, is exercisable immediately, provides for a cashless exercise at any time and automatic cashless exercise on the expiration date if on such date the exercise price of the Warrant exceeds its fair market value as determined in accordance with the terms of the Warrant and adjustments in the case of stock dividends and stock splits. Of the shares issued under the Warrant, 579, which were originally valued at $217,255, reflected the final payment of rent due under the Sublease. The Warrant was recorded in additional paid-in capital with the corresponding activity included in the basis of the purchase price allocation of the Property acquired. See Note 16 – Stockholders' Equity for additional information.

RubrYc

On August 23, 2021, the Company entered into a series of agreements with RubrYc Therapeutics, Inc. ("RubrYc") described in more detail below:

Collaboration and License Agreement

The Company entered into a collaboration and licensing agreement (the "RTX-003 License Agreement") with RubrYc to further develop RubrYc's immune-oncology antibodies in its RTX-003 (now referred to as IBIO-101) campaign. Under the terms of the agreement, the Company is solely responsible for worldwide research and development activities for development of the RTX-003 antibodies for use in pharmaceutical products in all fields. RubrYc was also entitled to receive royalties in the mid-single digits on net sales of RTX-003 antibodies, subject to adjustment under certain circumstances. The RTX-003 License Agreement was terminated when the Company acquired substantially all of the assets of RubrYc in September 2022.

Collaboration, Option and License Agreement

The Company entered into an agreement with RubrYc (the "Collaboration, Option and License Agreement") to collaborate for up to five years to discover and develop novel antibody therapeutics using RubrYc's artificial intelligence discovery platform. The Company agreed to pay RubrYc for each Selected Compound as it achieves various milestones in addition to royalties if the Selected Compounds are commercialized. RubrYc was also entitled to receive tiered royalties ranging from low- to mid-single digits on net sales of Collaboration Products, subject to adjustment under certain circumstances. Royalties are payable on a country-by-country and collaboration product-by-collaboration product basis until the latest to occur of: (i) the last-to-expire of specified patent rights in such country; (ii) expiration of marketing or regulatory exclusivity in such country; or (iii) ten (10) years after the first commercial sale of a product in such country, provided that no biosimilar product has been approved in such country. With the exception of any obligations

that survive the termination, the Collaboration, Option and License Agreement was terminated when the Company acquired substantially all of the assets of RubrYc in September 2022.

Stock Purchase Agreement

In connection with the entry into the Collaboration, Option and License Agreement and RTX-003 License Agreement, the Company also entered into a Stock Purchase Agreement ("Stock Purchase Agreement") with RubrYc whereby the Company purchased a total of 2,864,345 shares of RubrYc's Series A-2 preferred stock ("Series A-2 Preferred") for $7,500,000.

The Company accounted for the agreements as an asset purchase and allocated the purchase price of $7,500,000 as follows:

Preferred stock	$	1,760,000
Intangible assets		4,300,000
Prepaid expenses		1,440,000
	$	7,500,000

On September 16, 2022, the Company entered an Asset Purchase Agreement (the "Asset Purchase Agreement") with RubrYc pursuant to which it acquired substantially all of the assets of RubrYc. The Company issued 5,117 shares of the Common Stock to RubrYc which were originally valued at approximately $1,000,000 (the "Closing Shares"). Pursuant to the Asset Purchase Agreement, the shares are subject to an initial lockup period and the estimated fair value was calculated as $650,000. The Company also agreed to make potential additional payments of up to $5,000,000 upon the achievement of specified developmental milestones on or before the fifth anniversary of the closing date, payable in cash or shares of the Common Stock, at the Company's option. In addition, the Company had advanced RubrYc $484,000 to support their operation costs during the negotiation period and incurred transaction costs totaling $208,000, which were also capitalized as part of the assets acquired. The assets acquired include the patented AI drug discovery platform, all rights with no future milestone payments or royalty obligations, to IBIO-101, in addition to CCR8, EGFRvIII, MUC16, CD3 and one additional immuno-oncology candidate. The Asset Purchase Agreement contained representations, warranties and covenants of RubrYc and the Company. The acquisition closed on September 19, 2022 after receipt of approval of the NYSE American.

Subsequently after the Company acquired substantially all of the assets of RubrYc in September 2022, RubrYc ceased its operations and completed bankruptcy proceedings in June 2023. The Company recorded an impairment of the investment in the amount of $1,760,000 during the year ended June 30, 2022, which was recorded in the condensed consolidated statement of operations and comprehensive loss under general and administrative expense. The Company also recorded an impairment of current and noncurrent prepaid expense of $288,000 and $864,000, respectively, during the year ended June 30, 2022. The amount was recorded in the condensed consolidated statement of operations and comprehensive loss under research and development expense.

The Company accounted for the agreements as an asset purchase and allocated the purchase price of approximately $1,342,000 as follows:

Intangible assets	$	1,228,000
Fixed assets		114,000
	$	1,342,000

In addition, the Company assumed three equipment leases that were accounted for as finance leases totaling approximately $814,000. See Note 9 – Finance Lease ROU Assets and Note 14 – Finance Lease Obligations.

Former CEO Departure

Effective December 1, 2022, the Company and Mr. Thomas F. Isett, the former Chief Executive Officer (the "CEO") and former Chairman of the Board, agreed for Mr. Isett to resign as a member of the Board and relinquish his duties, rights and obligations as the CEO of the Company.

Separation Agreement and General Release

In connection with Mr. Isett's resignation, the Company entered into a separation agreement and general release with Mr. Isett effective December 1, 2022 (the "Agreement"). Pursuant to the Agreement, Mr. Isett resigned as CEO of the Company effective December 1, 2022, and remained an employee of the Company until December 31, 2022, on which date his employment with the Company terminated. Following Mr. Isett's termination of employment with the Company, pursuant to the Agreement, Mr. Isett receives the

severance benefits set forth in his employment agreement, as previously disclosed by the Company, including (i) an amount equal to his base salary in equal bi-monthly installments for twenty-four (24) months; (ii) an amount equal to a pro rata share of his target bonus for the Fiscal 2023; (iii) an amount equal to the target bonus in equal bi-monthly installments for the twenty-four (24) month severance period and (iv) provided that he elects continuation coverage for health insurance under the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA"), the Company will pay the full cost of this benefit for up to eighteen (18) months, or if he has not obtained alternative employer-provided health coverage by the end of the eighteen (18) month COBRA subsidy period, the Company will provide him with a lump-sum cash payment equal to six (6) times the monthly amount paid by the Company for the COBRA subsidy. The Agreement includes a general release of claims by Mr. Isett. The Company accrued approximately $2.13 million to general and administrative expenses in the second quarter of Fiscal 2023. As of March 31, 2024, approximately $1.0 million is recorded in accrued expenses on the condensed consolidated balance sheets.

7. Promissory Note Receivable

On June 19, 2023, the Company was issued a promissory note (the "Note") with Safi Biosolutions, Inc. ("Safi") in the principal amount of $1,500,000, which was issued in exchange for the convertible promissory note (the "Convertible Note") issued to the Company by Safi on October 1, 2020. The Note has a maturity date of two (2) years from the date of issuance and can be extended by the mutual consent of the Company and Safi for two (2) additional one (1) year terms upon the payment of all accrued interest accrued through the date of such extension. In addition, the outstanding balance under the Note, or portions thereof, is due within a specified number of days after the receipt by Safi in a closing of specified financing milestones as more detailed in the Note. The Note bears interest at the rate of 5% per annum, which will increase to 7% for the first one (1) year extension and 9% for the second one (1) year extension. Upon the issuance of the Note, the Convertible Note, which bore interest at the rate of 5% per annum and had a maturity date of October 1, 2023, was voided.

For the three months ended March 31, 2024 and 2023, interest income amounted to $22,000 and $18,000, respectively. For the nine months ended March 31, 2024 and 2023, interest income amounted to $66,000 and $56,000, respectively. As of March 31, 2024 and June 30, 2023, the Note balance and accrued interest, which have been classified as long term, totaled $1,772,000 and $1,687,000, respectively.

8. Investments in Debt Securities

The Company did not hold any investments in debt securities at March 31, 2024 and June 30, 2023. Amortization of premiums paid on the debt securities amounted to $0 and $7,000 for the three months ended March 31, 2024 and 2023, respectively. Amortization of premiums paid on the debt securities amounted to $0 and $67,000 for the nine months ended March 31, 2024 and 2023, respectively.

Realized losses on available-for sale debt securities are as follows (in thousands):

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Proceeds from sale of debt securities	$ —	$ 5,938
Cost of debt securities	—	6,036
Realized loss on sale of debt securities	$ —	$ (98)

	Nine Months Ended March 31, 2024	Nine Months Ended March 31, 2023
Proceeds from sale of debt securities	$ —	$ 6,739
Cost of debt securities	—	6,837
Realized loss on sale of debt securities	$ —	$ (98)

9. Finance Lease ROU Assets

The Company assumed three equipment leases as part of the RubrYc asset acquisition (see Note 6 – Significant Transactions). In addition, the Company leased a mobile office trailer which was classified as part of assets held for sale prior to its termination. The mobile office trailer lease was terminated in December 2022. See Note 14 – Finance Lease Obligations for more details of the terms of the leases.

The following table summarizes by category the gross carrying value and accumulated amortization of finance lease ROU (in thousands):

	March 31, 2024	June 30, 2023
ROU - Equipment	$ 814	$ 814
Accumulated amortization	(407)	(204)
Net finance lease ROU assets	$ 407	$ 610

Amortization of finance lease ROU assets was approximately $67,000 and $68,000 for the three months ended March 31, 2024 and 2023, respectively. Amortization of finance lease ROU assets approximately $203,000 and $136,000 for the nine months ended March 31, 2024 and 2023, respectively.

10. Operating Lease ROU Assets

San Diego, California

On September 10, 2021, the Company entered into a lease for approximately 11,383 square feet of space in San Diego, California (the "San Diego Lease"). Based on the terms of the lease payments, the Company recorded an operating lease ROU asset of $3,603,000. The net carrying amount of this ROU operating lease asset was $2,472,000 and $2,722,000 at March 31, 2024 and June 30, 2023, respectively.

Bryan, Texas

On November 1, 2021, iBio CDMO acquired the Facility and became the tenant under the Ground Lease Agreement upon which the Facility is located. Based on the terms of the lease payments, the Company recorded an operating lease ROU asset of $1,967,000. The net amount of this ROU operating lease asset is included in assets held for sale. See Note 15 – Operating Lease Obligation for additional information.

11. Fixed Assets

The following table summarizes by category the gross carrying value and accumulated depreciation of fixed assets (in thousands):

	March 31, 2024	June 30, 2023
Building and improvements	$ 695	$ 695
Machinery and equipment	3,521	3,521
Office equipment and software	403	403
	4,619	4,619
Accumulated depreciation	(893)	(400)
Net fixed assets	$ 3,726	$ 4,219

Depreciation expense reported in continuing operations was approximately $164,000 and $120,000 for the three months ended March 31, 2024 and 2023. Depreciation expense reported in continuing operations was approximately $492,000 and $235,000 for the nine months ended March 31, 2024 and 2023.

At March 31, 2024 and June 30, 2023 fixed assets held for sale in the amounts of $13,024,000 and $16,124,000, respectively, are included in assets held for sale. Depreciation expense reported in discontinued operations was $0 for both the three months ended March 31, 2024 and 2023. The depreciation expense for the nine months ended March 31, 2024 and 2023 was $0 and $273,000, respectively, and is reported as part of loss from discontinued operations.

The Company re-evaluated its business strategy and reviewed its product portfolio during Fiscal 2023 which resulted in an impairment charge of approximately $17.9 million to the assets held for sale. An additional $3.1 million fixed asset impairment charge related to the assets held for sale was recorded in the second quarter of Fiscal 2024. See Note 5 – Financial Instruments and Fair Value Measurement for more information.

12. Intangible Assets

On August 23, 2021, the Company entered into a series of agreements with RubrYc described in more detail above (see Note 6 – Significant Transactions) whereby in exchange for a $7.5 million investment in RubrYc, the Company acquired a worldwide exclusive license to certain antibodies that RubrYc develops under what it calls its RTX-003 campaign, which are promising immuno-oncology antibodies that bind to the CD25 protein without interfering with the IL-2 signaling pathway thereby potentially depleting T-regulatory (Tregs) cells while enhancing T effector (Teffs) cells and encouraging the immune system to attack cancer cells. The Company accounted for this license as an indefinite-lived intangible asset until the completion or abandonment of the associated research and development efforts. In addition, the Company also received preferred shares and an option for future collaboration licenses.

On September 16, 2022, the Company entered into an Asset Purchase Agreement with RubrYc described in more detail above (see Note 6 – Significant Transactions) pursuant to which it acquired substantially all of the assets of RubrYc. The assets acquired include the patented AI drug discovery platform, all rights with no future milestone payments or royalty obligations, to IBIO-101, in addition to CCR8, EGFRvIII, MUC16, CD3, and one additional immuno-oncology candidate.

In January 2014, the Company entered into a license agreement with the University of Pittsburgh whereby the Company acquired exclusive worldwide rights to certain issued and pending patents covering specific candidate products for the treatment of fibrosis (the "Licensed Technology") which license agreement was amended in August 2016 and again in December 2020 and February 2022. The license agreement provided for payment by the Company of a license issue fee, annual license maintenance fees, reimbursement of prior patent costs incurred by the university, payment of a milestone payment upon regulatory approval for sale of a first product, and annual royalties on product sales. In addition, the Company had agreed to meet certain diligence milestones related to product development benchmarks. As part of its commitment to the diligence milestones, the Company successfully commenced production of a plant-made peptide comprising the Licensed Technology before March 31, 2014. The next milestone – filing an Investigational New Drug Application with the FDA or foreign equivalent covering the Licensed Technology ("IND") – initially was required to be met by December 1, 2015, and on November 2, 2020, was extended to be required to be met by December 31, 2021 and on February 8, 2022, was further extended to December 31, 2023. In addition, the amounts of the annual license maintenance fee and payment upon completion of various regulatory milestones were amended. On February 14, 2023, the Company provided notification to the University of Pittsburgh terminating the license agreement. Pursuant to the termination of the license agreement with the University of Pittsburgh, the Company's financial obligations for the management of the patents under the license ceased on August 14, 2023, and transitioned back to the University of Pittsburgh. As a result of the termination of the license agreement, the Company recorded a full impairment of the related intangible asset associated with IBIO-100 in the amount of $25,000 in Fiscal 2023.

The Company re-evaluated its business strategy and reviewed its product portfolio during Fiscal 2023. After such review, the Company identified intellectual property, patent and licenses that would no longer be utilized and therefore were fully impaired. Accordingly, the Company recorded an impairment charge during Fiscal 2023 in general and administrative expenses of approximately $565,000.

On February 25, 2024, the Company entered into the PD-1 Purchase Agreement with Otsuka pursuant to which the Company sold and assigned to Otsuka, and Otsuka purchased and assumed, all intellectual property rights directly related to the Company's PD-1 Assets developed or held for development. The Company received an upfront payment of $1.0 million in cash at closing which is reported as a gain in the condensed consolidated statements of operations and comprehensive loss for both the three and nine months ended March 31, 2024. The Company will also be eligible to receive additional contingent cash payments totaling up to $52.5 million upon the achievement of certain pre-specified clinical development and commercial milestones. The Company will recognize the potential milestone payments at the earlier of when the contingent consideration is realized or is realizable.

The following table summarizes by category the gross carrying value and accumulated amortization of intangible assets (in thousands):

	March 31, 2024	June 30, 2023
Intellectual property – gross carrying value	$ 400	$ 400
Intellectual property – accumulated amortization	(30)	(15)
Total definite lived intangible assets, net of accumulated amortization	370	385
License - indefinite lived	5,003	5,003

Total net intangible assets	$ 5,373	$ 5,388

Amortization expense was approximately $5,000 and $5,000 for the three months ended March 31, 2024 and 2023, respectively. Amortization expense was approximately $15,000 and $121,000 for the nine months ended March 31, 2024 and 2023, respectively.

See Note 4 - Summary of Significant Accounting Policies and Note 5 – Financial Instruments and Fair Value Measurement for more information.

13. Debt

The Credit Agreement

In connection with the PSA, iBio CDMO entered into a Credit Agreement, dated November 1, 2021, with Woodforest pursuant to which Woodforest provided iBio CDMO a $22,375,000 Term Loan to purchase the Facility, which Term Loan is evidenced by a term note (the "Term Note") (for a complete description of the transaction please see Note 6 – Significant Transactions). The Term Loan was advanced in full on the closing date. The Term Loan bore interest at a rate of 3.25%, with higher interest rates upon an event of default, which interest is payable monthly beginning November 5, 2021. Principal on the Term Loan was originally payable on November 1, 2023, subject to early termination upon events of default. The Term Loan provides that it may be prepaid by iBio CDMO at any time and provides for mandatory prepayment upon certain circumstances.

On October 11, 2022, iBio CDMO and Woodforest amended the Credit Agreement to: (i) include a payment of $5,500,000 of the outstanding principal balance owed under the Credit Agreement on the date of the amendment, (ii) include a payment of $5,100,000 of the outstanding principal balance owed under the Credit Agreement within two (2) business days upon the Company's receipt of such amount owed to the Company by Fraunhofer as part of its legal settlement with them (the "Fraunhofer Settlement Funds") (see Note 19 – Fraunhofer Settlement for more information), (iii) include principal payments of $250,000 per month in debt amortization for a six-month period commencing the date of the amendment through March 2023, (iv) include an amendment fee of $22,375 and all costs and expenses, (v) require delivery of a report detailing cash flow expenditures every two (2) weeks for the period prior to the delivery of the last report and a monthly 12-month forecast, (vi) reduce the liquidity covenant (the "Liquidity Covenant") in the Guaranty (as defined in the Credit Agreement) from $10 million to $7.5 million with the ability to lower the liquidity covenant to $5.0 million upon the occurrence of a specific milestone in the Credit Agreement, and (vii) change the annual filing requirement solely for the Fiscal year ended June 30, 2022, such that the filing is acceptable with or without a "going concern" designation. In addition, Woodforest cancelled the irrevocable letter of credit issued by JPMorgan Chase Bank upon closing of the amendment.

In January 2023, the Company's unrestricted cash decreased below the required $7,500,000, which created an event of default under the Credit Agreement and Guaranty as a result of not complying with the Liquidity Covenant. As a result, on February 9, 2023, iBio CDMO and Woodforest entered into a second amendment to the Credit Agreement (the "Second Amendment"), which amended, among other things, added a milestone that had to be met by a specified date, the failure of which would be an event of default. In addition, on February 9, 2023, the Company, as guarantor, entered into a second amendment to the Guaranty, which amended, among other things, allowed the Company to account for the Fraunhofer Settlement Funds in determining whether the Company is in compliance with the Liquidity Covenant until a specified period dependent upon the occurrence of a specific milestone in the Credit Agreement.

On February 20, 2023, iBio CDMO entered into a third amendment to the Credit Agreement (the "Third Amendment"), which removed the added milestone specified in the Second Amendment, the failure of which would be an event of default. In addition, the Guaranty was amended to allow the Company until February 28, 2023, to account for the Fraunhofer Settlement Funds in determining whether the Company is in compliance with the Liquidity Covenant without being dependent upon a specified milestone. In addition, the Company agreed that each time it consummates an at-the-market issuance of Equity Interests (as defined within the Credit Agreement), no later than five (5) days following such issuance of Equity Interests, it will (i) pay to Woodforest in immediately available cash funds, without setoff or counterclaim of any kind, forty percent (40%) of the Net Proceeds (as defined within the Credit Agreement) received by the Company for such issuance of Equity Interests; provided, any such payment would cease upon payment obligations in full and (ii) provide Woodforest with a detailed accounting of each such issuance of Equity Interests.

On March 24, 2023, iBio CDMO and Woodforest entered into a fourth amendment to the Credit Agreement (the "Fourth Amendment"), which within the Fourth Amendment Woodforest agreed to (i) reduce the percentage of any payment to Woodforest the Company is required to make from the proceeds of sales of its common stock under its at-the-market facility from 40% to 20%, (ii) reduce the percentage of any payment to Woodforest the Company is required to make from the proceeds of sales of its equipment from 40% to 20%, and (iii) allowed the Company to retain $2,000,000 of the $5,100,000 that the Company received from the Fraunhofer Settlement Funds, with the remaining $3,000,000 being held in a Company account at Woodforest. In addition, the Company was obligated to (y) deliver to Woodforest an executed copy of a purchase agreement (the "Woodforest Purchase Agreement") for the sale of the Facility, no later than April 14, 2023, and (z) pay to Woodforest a fee in the amount of $75,000 on the earlier of the date of the closing of the

Woodforest Purchase Agreement, or the Maturity Date (as defined in the Credit Agreement). In addition, on March 24, 2023, the Company, as guarantor, entered into a fourth amendment to the Guaranty, which reduced the Liquidity Covenant from $7,500,000 to $1,000,000.

On May 10, 2023, iBio CDMO and Woodforest entered into a fifth amendment to the Credit Agreement (the "Fifth Amendment"), which within the Fifth Amendment Woodforest agreed to: (i) waive the Company's obligation to deliver to Woodforest an executed copy of a Woodforest Purchase Agreement for the sale of the Facility no later than April 14, 2023 and, (ii) release $500,000 of the $3.0 million being held in a Company account at Woodforest when the outstanding principal amount is reduced to $10.0 million and for each additional $2.5 million reduction of the outstanding principal amount, an additional $750,000 will be released from the Company account at Woodforest. In addition, starting on the effective date of the Fifth Amendment, the interest on the Term Loan increased to 5.25%, and the Term Loan further accrued interest, payable in kind and added to the balance of the outstanding principal amount at a fixed rate per annum equal to (a) 1.00%, if the Facility is sold on or before June 30, 2023, (b) 2.00% if the Facility is sold after June 2023, but on or before September 30, 2023, or (c) 3.00%, if the Facility is sold after September 30, 2023, or not sold prior to the maturity date. The Company also agreed to pay Woodforest a fee in the amount of (x) $75,000 if the Facility is sold on or before June 30, 2023, (y) $100,000 if the Facility is sold after June 2023, but on or before September 30, 2023, or (z) $125,000, if the Facility is sold after September 30, 2023, or not sold prior to the maturity date.

On September 18, 2023, iBio CDMO and Woodforest entered into a sixth amendment to the Credit Agreement (the "Sixth Amendment"), pursuant to which Woodforest agreed to modify the Maturity Date to the earlier of December 31, 2023, or the acceleration of maturity of the Term Loan pursuant to the Credit Agreement, provided that (i) iBio CDMO shall deliver an executed copy of a Woodforest Purchase Agreement (as defined in the Credit Agreement) for the sale of the Facility within one business day after entry into the Sixth Amendment, and (ii) if the Facility is not sold on or before December 1, 2023, iBio CDMO will pay a fee in the amount of $20,000 upon the earlier of the date of the closing or the Maturity Date. In addition, if the closing and funding of the Woodforest Purchase Agreement does not occur on or before December 1, 2023, iBio CDMO will permit Woodforest to obtain an appraisal of iBio CDMO's real estate, including the Facility, at the cost of iBio CDMO.

On October 4, 2023, iBio CDMO and Woodforest entered into the seventh amendment to the Credit Agreement (the "Seventh Amendment"), which amendment among other things, permits the Company, in each case, so long as no Potential Default or Default exists (as such terms are defined in the Credit Agreement) to make the following withdrawals from the Reserve Funds Deposit Account (as defined in the Credit Agreement): (i) up to $1,000,000 on October 4, 2023 so long as iBio CDMO maintains a minimum balance of $2,000,000 until October 16, 2023, (ii) up to an additional $750,000 after October 16, 2023 so long as iBio CDMO maintains a minimum balance of $1,250,000 until November 13, 2023, and (iii) up to an additional $250,000 after November 13, 2023 so long as iBio CDMO maintains a minimum balance of $1,000,000 until Payment in Full (as defined in the Credit Agreement). On the earlier of (a) the closing of the Woodforest Purchase Agreement, or (b) the Maturity Date (as defined in the Credit Agreement), the Company will pay Woodforest $20,000. In addition, on October 4, 2023, the Company, as guarantor, entered into the Fifth Amendment to the Guaranty, which amendment reduces the liquidity covenant that requires the Company to maintain a specified amount in unrestricted cash to $0. Subsequent to executing the Seventh Amendment, the Company withdrew $2,000,000 of the restricted funds.

On December 22, 2023, iBio CDMO and Woodforest entered into the Eighth Amendment (the "Eighth Amendment") to the Credit Agreement, which amendment among other things, amends the Credit Agreement to: (i) set the Maturity Date of the Term Loan to the earlier of (a) March 29, 2024, or (b) the acceleration of maturity of the Term Loan in accordance with the Credit Agreement; (ii) reduce the interest rate from 5.25% to 4.5% and increase the payment in kind from 3% to 4.5%; and (iii) permit the Company, so long as no Potential Default or Default (as such terms are defined in the Credit Agreement) exists to make a withdrawal from the Reserve Funds Deposit Account (as defined in the Credit Agreement) so long as the Company maintains a minimum balance of $900,000 until Payment in Full (as defined in the Credit Agreement). The Eighth Amendment provides that the Company will use its best efforts to consummate and close a sale of the Collateral (as defined in the Credit Agreement) on or before the Maturity Date. The amendment also increased the fees payable by Borrower to Woodforest by $10,000. Accordingly, per the amendment, on the earlier of (a) the closing of the sale of the Collateral, or (b) the Maturity Date, the Borrower will pay Woodforest a fee in the amount of $155,000. Subsequent to executing the Eighth Amendment, the Company withdrew an additional $150,000 of the restricted funds. The amount held in the restricted bank account was approximately $900,000 as of February 9, 2024.

On March 28, 2024, iBio CDMO and Woodforest entered into the Ninth Amendment (the "Ninth Amendment") to the Credit Agreement, which amendment among other things, amends the Credit Agreement to: (i) set the maturity date of the term loan to the earlier of (a) May 15, 2024, or (b) the acceleration of maturity of the term loan in accordance with the Credit Agreement.

At March 31, 2024, the balance of the Term Loan was $12,655,000. At June 30, 2023, the balance was $12,937,000 which consisted of the Term Note of $13,057,000, net of approximately $120,000 of deferred finance costs.

Equipment Financing

On October 12, 2022, the Company entered into an equipment financing master lease agreement and a lease supplement whereby $500,000 was borrowed over 36 months at an imputed interest rate of 10.62% and securitized by certain assets purchased for the San Diego research site. The financing is payable in monthly installments of $16,230 through October 2025. At March 31, 2024, the balance owed under the financing was $283,000. Interest incurred under the financing for the three months ended March 31, 2024 and 2023 totaled approximately $8,000 and $12,000, respectively. Interest incurred under the financing for the nine months ended March 31, 2024 and 2023 totaled approximately $28,000 and $19,000, respectively.

Future minimum payments under the equipment financing obligation are due as follows (in thousands):

Fiscal period ending on March 31:	**Principal**	**Interest**	**Total**
2025	$ 173	$ 22	$ 195
2026	110	4	114
Total minimum equipment financing payments	283	$ 26	$ 309
Less: current portion	(173)		
Long-term portion of minimum equipment financing obligation	$ 110		

Credit and Security Agreement

On January 16, 2024, the Company entered into a credit and security agreement (the "Credit and Security Agreement") with Loeb Term Solutions LLC, an Illinois limited liability company ("Lender"), for a term loan or equipment line of credit loan (the "Loan") pursuant to which the Company issued to Lender a term promissory note in the principal amount of $1,071,572 (the "2024 Term Note") bearing interest at the Prime Rate, as quoted in the Wall Street Journal plus 8.5% (the "Effective Rate"), for proceeds of $1,027,455 after payment of $42,863 to Lender as an origination fee, $1,173 for appraisal costs, and $75.00 for bank wire fees.

The 2024 Term Note provides for monthly payments of principal and interest based on a four-year amortization period, with a balloon payment of all principal, accrued interest and any other amounts due on the two year anniversary of the 2024 Term Note. The Credit and Security Agreement granted to Lender a security interest in substantially all of the Company's assets other than any intellectual property related to any of the Company's filed patents (the "Loeb Collateral") to secure the Company's obligations under the 2024 Term Note. The 2024 Term Note is subject to a prepayment fee of: 4% of the principal amount being prepaid if the 2024 Term Note is prepaid during the first 12 months from its issuance, and 3% of the principal amount being prepaid if the 2024 Term Note is prepaid during the second 12 months from its issuance date.

The Credit and Security Agreement provides that the Company may request that Lender make further loan advances to the Company subject to certain conditions, including that the Company is not otherwise in default under the Credit and Security Agreement and its obligations and liabilities to Lender do not exceed a borrowing base equal to the lesser of: (a) eighty percent (80.0%) of the forced liquidation value of the Company's Eligible Equipment as determined by Lender in its sole reasonable discretion, or (b) a monthly dollar amount. The Credit and Security Agreement defines "Eligible Equipment" as equipment that (a) is owned by the Company free of any title defect or any lien or interest of any person except the lien in favor of the Lender; (b) is located at locations permitted by the Credit and Security Agreement; (c) in the Lender's reasonable opinion, is not obsolete, unsalable, damaged or unfit for further use; (d) is appraised by an appraiser satisfactory to the Lender; (e) complies with any representation or warranty with respect to equipment contained in the Credit and Security Agreement; and (f) is otherwise acceptable to the Lender in its reasonable discretion.

The Company's obligations to Lender under the 2024 Term Note and Credit Security Agreement are further secured by an validity guarantee, dated January 16, 2024 (the "Validity Guarantee"), executed by Dr. Martin Brenner and Felipe Duran in their individual capacity (the "Indemnitors") for the benefit of Lender. The Validity Guarantee provides that the Indemnitors will indemnify the Lender from any loss or damage, including any actual, consequential or incidental loss or damage, suffered by Lender as a result of, or arising out of, among other things, any willful or intentional misrepresentation or gross negligence by the Company in connection with the Loan and any acts of fraud, conversion, misappropriation or misapplication of funds or proceeds of any Loeb Collateral by the Company or the Indemnitors.

The Credit and Security Agreement contains customary events of default. If an event of default occurs, the 2024 Term Note provides that regardless of whether the Lender elects to accelerate the maturity of the 2024 Term Note, the entire principal remaining unpaid hereunder shall thereafter bear interest at the rate equal to the Effective Rate plus 6% per annum.

The financing is payable in monthly installments of $30,710 through December 2025 and a balloon payment of $652,060 in January 2026. At March 31, 2024, the balance owed under the financing was $1,032,000. Interest incurred under the financing for the three and nine months ended March 31, 2024 totaled approximately $22,000.

Future minimum payments under the term promissory note obligation are due as follows (in thousands):

Fiscal period ending on March 31:	Principal	Interest	Total
2025	$ 208	$ 160	$ 368
2026	824	105	929
Total minimum term promissory note payments	1,032	$ 265	$ 1,297
Less: current portion	(208)		
Long-term portion of minimum term promissory note obligation	$ 824		

Insurance Premium Financing

On October 30, 2023, the Company entered into an insurance premium financing agreement with FIRST Insurance Funding, a division of Lake Forest Bank & Trust Company, N.A., whereby approximately $597,000 was borrowed over ten months at an imputed interest rate of 8.5%. The financing is payable in monthly installments of $62,095 through August 2024. At March 31, 2024, the balance owed under the financing was approximately $340,000. Interest incurred under the financing for the three and six months ended March 31, 2024, totaled approximately $10,000 and $18,000, respectively.

Future minimum payments under the insurance premium financing obligation are as follows (in thousands):

Fiscal period ending on March 31:	Principal	Interest	Total
2025	$ 340	$ 7	$ 347

14. Finance Lease Obligations

Sublease

As discussed above, until November 1, 2021, iBio CDMO leased the Facility as well as certain equipment from College Station under the Sublease. The Sublease was terminated on November 1, 2021, when iBio CDMO acquired the Facility and became the tenant under the ground lease for the property upon which the Facility is located. See Note 15 – Operating Lease Obligations for additional information related to the ground lease.

Equipment

As discussed above, the Company assumed three equipment leases that were accounted for as finance leases totaling approximately $814,000 as part of the RubrYc Asset Purchase Agreement. The monthly rental for the three leases is approximately $27,000 per month and all three expire on August 1, 2025.

Mobile Office Trailer

Commencing April 1, 2021, the Company leased a mobile office trailer that was located at the Facility in Bryan, Texas, at a monthly rental of $3,819 through March 31, 2024. In December 2022, the Company terminated the lease and returned the mobile office trailer. Expenses related to the lease prior to its termination are included in discontinued operations.

The following tables present the components of lease expense and supplemental balance sheet information related to the finance lease obligation (in thousands).

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Finance lease cost:		
Amortization of ROU assets	$ 67	$ 68
Interest on lease liabilities	11	16
Total lease cost	$ 78	$ 84
Other information:		
Cash paid for amounts included in the measurement lease liabilities:		
Operating cash flows from finance lease	$ —	$ —
Financing cash flows from finance lease obligations	$ 68	$ 62

	Nine Months Ended March 31, 2024	Nine Months Ended March 31, 2023
Finance lease cost:		
Amortization of ROU assets	$ 203	$ 156
Interest on lease liabilities	38	33
Total lease cost	$ 241	$ 189
Other information:		
Cash paid for amounts included in the measurement lease liabilities:		
Financing cash flows from finance lease obligations	$ 201	$ 144

	March 31, 2024	June 30, 2023
Finance lease ROU assets	$ 407	$ 610
Finance lease obligation - current portion	$ 292	$ 272
Finance lease obligation - noncurrent portion	$ 130	$ 351
Weighted-average remaining lease term - finance lease	1.42 years	2.17 years
Weighted-average discount rate - finance lease obligation	9.50 %	9.50 %

Future minimum payments under the finance lease obligation are as follows (in thousands):

Fiscal year ending on March 31:	Principal	Interest	Total
2025	$ 292	$ 28	$ 320
2026	130	3	133
Total minimum lease payments	422	$ 31	$ 453
Less: current portion	(292)		
Long-term portion of minimum lease obligations	$ 130		

15. Operating Lease Obligations

Texas Ground Lease

As discussed above, as part of the Transaction, iBio CDMO became the tenant under the Ground Lease Agreement for the Ground Lease Property until 2060 upon exercise of available extensions. The base rent payable under the Ground Lease Agreement, which was $151,450 for the prior year, is 6.5% of the Fair Market Value (as defined in the Ground Lease Agreement) of the Ground Lease Property. The Ground Lease Agreement includes various covenants, indemnities, defaults, termination rights, and other provisions customary for lease transactions of this nature.

San Diego

On September 10, 2021, the Company entered into a lease for approximately 11,383 square feet of space in San Diego, California. Terms of the lease include the following:

- The length of term of the lease is 88 months from the lease commencement date (as defined).
- The lease commencement date was estimated to be on or around January 1, 2022.
- The monthly rent for the first year of the lease is $51,223 and increases approximately 3% per year.
- The lease provides for a base rent abatement for months two through five in the first year of the lease.
- The Landlord provided a tenant improvement allowance of $81,860 to be used for improvements as specified in the lease.
- The Company is responsible for other expenses such as electric, janitorial, etc.
- The Company opened an irrevocable letter of credit in the amount of $188,844 in favor of the Landlord. The letter of credit expires on October 8, 2024 and renews annually as required.

As discussed above, the lease provides for scheduled increases in base rent and scheduled rent abatements. Rent expense is charged to operations using the straight-line method over the term of the lease which results in rent expense being charged to operations at inception of the lease in excess of required lease payments. This excess (formerly classified as deferred rent) is shown as a reduction of the operating lease ROU asset in the accompanying condensed consolidated balance sheets.

The following tables present the components of lease expense and supplemental balance sheet information related to the operating lease obligation (in thousands).

	Three Months Ended March 31,	
	2024	2023
Operating lease cost:	$ 141	$ 141
Total lease cost	$ 141	$ 141
Other information:		
Cash paid for amounts included in the measurement lease liability:		
Operating cash flows from operating lease	$ 141	$ 141
Operating cash flows from operating lease obligation	$ 158	$ 103

	Nine Months Ended March 31,	
	2024	2023
Operating lease cost:	$ 422	$ 422
Total lease cost	$ 422	$ 422
Other information:		
Cash paid for amounts included in the measurement lease liability:		
Operating cash flows from operating lease	$ 422	$ 422
Operating cash flows from operating lease obligation	$ 472	$ 154

Future minimum payments under the operating lease obligation are as follows (in thousands):

Fiscal year ending on March 31:	Principal	Imputed Interest	Total
2025	$ 424	$ 220	$ 644
2026	476	188	664
2027	532	151	683
2028	593	111	704
2029	659	65	724
Thereafter	541	17	557
Total minimum lease payments	3,225	$ 752	$ 3,976
Less: current portion	(424)		
Long-term portion of minimum lease obligation	$ 2,801		

16. Stockholders' Equity

Preferred Stock

The Company's Board is authorized to issue, at any time, without further stockholder approval, up to 1 million shares of preferred stock. The Board has the authority to fix and determine the voting rights, rights of redemption and other rights and preferences of preferred stock.

Series 2022 Convertible Preferred Stock ("Series 2022 Preferred")

On May 9, 2022, the Board of the Company created the Series 2022 Preferred, par value $0.001 per share, out of the Company's 1 million authorized shares of preferred stock. Each share of Series 2022 Preferred was convertible at a ratio of one-for-one (1:1) shares of the Common Stock on a pre-split basis.

The Company issued 1,000 shares of Series 2022 Preferred and received proceeds of $270. Pursuant to the terms of the preferred stock, the Company's Board converted the Preferred Stock to 2 shares of Common Stock on July 19, 2022.

iBio CMO Preferred Tracking Stock ("Preferred Tracking Stock")

On February 23, 2017, the Company entered into an exchange agreement with Bryan Capital pursuant to which the Company acquired substantially all of the interest in iBio CDMO held by Bryan Capital and issued one share of a newly created Preferred Tracking Stock, in exchange for 29,990,000 units of limited liability company interests of iBio CDMO held by Bryan Capital at an original issue price of $13 million. After giving effect to the transaction, the Company owned 99.99% and Bryan Capital owned 0.01% of iBio CDMO.

On February 23, 2017, the Board of the Company created the Preferred Tracking Stock out of the Company's 1 million authorized shares of preferred stock. The Preferred Tracking Stock accrued dividends at the rate of 2% per annum on the original issue price. Accrued dividends were cumulative and were payable if and when declared by the Board, upon an exchange of the shares of Preferred Tracking Stock and upon a liquidation, winding up or deemed liquidation (such as a merger) of the Company. No dividends were declared through October 31, 2021.

On November 1, 2021, the Company purchased the Preferred Tracking Stock held by Bryan Capital. No Preferred Tracking Stock remains outstanding. As a result, the iBio CDMO subsidiary and its intellectual property are now wholly owned by iBio.

Common Stock

The number of authorized shares of the Common Stock is 275 million.

Reverse Stock Splits

On June 30, 2022, the Company held a special meeting of its stockholders at which the stockholders approved a proposal to affect an amendment to the Company's certificate of incorporation, as amended, to implement a reverse stock split at a ratio of one-for-twenty-five (1:25). On September 22, 2022, the Company's Board approved the implementation of the reverse stock split of the Common Stock. As a result of the reverse stock split, every twenty-five (25) shares of the Common Stock either issued and outstanding or held by the Company in its treasury immediately prior to the effective time was, automatically and without any action on the part of the respective

holders thereof, combined and converted into one (1) share of the Common Stock. No fractional shares were issued in connection with the reverse stock split. Stockholders who otherwise were entitled to receive a fractional share in connection with the reverse stock split instead were eligible to receive a cash payment, which was not material in the aggregate, instead of shares. On October 7, 2022, the Company filed a Certificate of Amendment of its Certificate of Incorporation, as amended with the Secretary of State of Delaware effecting a one-for-twenty-five (1:25) reverse stock split of the shares of the Common Stock, either issued or outstanding, effective October 7, 2022. The Common Stock began trading on a reverse split adjusted basis when the market opened Monday, October 10, 2022.

On November 27, 2023, the Company approved a proposal at the 2023 Annual Meeting of Stockholders (the "Annual Meeting") to amend the Company's Certificate of Incorporation to effect a reverse stock split of the Company's Common Stock, par value $0.001 per share, at a ratio between one-for-five to one-for-twenty, with the ratio within such range to be determined at the discretion of the Board, without reducing the authorized number of shares of Common Stock. Following the Annual Meeting, the Board approved a final split ratio of one-for-twenty (1:20). Following such approval, on November 28, 2023, the Company filed an amendment to the Certificate of Incorporation with the Secretary of State of the State of Delaware to effect the 2023 Reverse Stock Split, with an effective time of 12:01 a.m. Eastern Time on November 29, 2023. As a result of the 1:20 2023 Reverse Stock Split, each twenty (20) pre-split shares of Common Stock outstanding automatically combined into one (1) new share of Common Stock without any action on the part of the holders. No fractional shares were issued in connection with the 2023 Reverse Stock Split. In lieu of fractional shares, any person who would otherwise be entitled to a fractional share of Common Stock as a result of the reclassification and combination following the effective time of the 2023 Reverse Stock Split (after taking into account all fractional shares of Common Stock otherwise issuable to such holder) were entitled to receive a cash payment equal to the number of shares of the Common Stock held by such stockholder before the 2023 Reverse Stock Split that would otherwise have been exchanged for such fractional share interest multiplied by the average closing sales price of the Common Stock as reported on the NYSE American for the ten days preceding November 29, 2023.

Recent issuances of Common Stock include the following:

Cantor Fitzgerald Underwriting

On November 25, 2020, the Company entered into a Controlled Equity Offering SM Sales Agreement (the "Sales Agreement") with Cantor Fitzgerald & Co. ("Cantor Fitzgerald") to sell shares of Common Stock, from time to time, through an "at-the-market offering" program having an aggregate offering price of up to $100,000,000 through which Cantor Fitzgerald would act as sales agent. During the three months ended September 30, 2023, Cantor Fitzgerald sold as sales agent pursuant to the Sales Agreement 170,989 shares of Common Stock. The Company received net proceeds of approximately $1.7 million.

In the fiscal year ended June 30, 2023, Cantor Fitzgerald sold as sales agent pursuant to the Sales Agreement 289,143 shares of Common Stock. The Company received net proceeds of approximately $6.4 million during the fiscal year ended June 30, 2023 and held a subscription receivable for approximately $204,000 at June 30, 2023 for proceeds received on July 6, 2023.

RubrYc Transaction

On September 19, 2022, the Company issued 5,117 shares valued at approximately $1,000,000 to RubrYc as part of the payment for purchasing the assets of RubrYc.

Wainwright Underwriting

On December 6, 2022, the Company entered into an underwriting agreement (the "Underwriting Agreement") with H.C. Wainwright & Co., LLC ("Wainwright"). Pursuant to the Underwriting Agreement, the Company agreed to sell to Wainwright, in a firm commitment underwritten offering (the "2022 Offering") (i) 76,538 shares of the Company's Common Stock, (ii) pre-funded warrants (the "2022 Pre-Funded Warrants") to purchase up to 91,730 shares of Common Stock, (iii) Series A Common Stock purchase warrants (the "Series A Warrants") to purchase up to 168,269 shares of Common Stock and (iv) Series B Common Stock purchase warrants (the "Series B Warrants" and together with the Series A Warrants, the "2022 Warrants") to purchase up to 168,269 shares of Common Stock. The 2022 Offering closed on December 9, 2022.

Wainwright acted as the sole book-running manager for the 2022 Offering. The Company paid Wainwright an underwriting discount equal to 7.0% of the gross proceeds of the offering, and reimbursed Wainwright for the legal fees and certain expenses. Pursuant to the Underwriting Agreement, the Company has granted Wainwright a 30-day option to purchase up to an additional 25,240 shares of Common Stock and/or 2022 Common Warrants to purchase up to an additional 50,480 shares of Common Stock at the public offering price, less the underwriting discounts and commissions, solely to cover over-allotments. Wainwright elected to purchase 25,240 Series A Warrants and 25,240 Series B Warrants.

The Company has also agreed to issue to Wainwright, as the representative of the underwriters, warrants (the "Representative's Warrants") to purchase a number of shares of Common Stock equal to 6.0% of the aggregate number of shares of Common Stock and 2022 Pre-Funded Warrants being offered in the 2022 Offering. Wainwright received warrants to purchase up to 10,096 shares of Common Stock.

The Company received net proceeds of approximately $2,864,000 after deducting underwriting discounts, commissions and other issuance costs for the 2022 Offering.

Securities Purchase Agreement

On December 5, 2023, the Company entered into a securities purchase agreement (the "Securities Purchase Agreement") with certain Purchasers identified on the signature pages of the Securities Purchase Agreement, pursuant to which the Company agreed to issue and sell, in the 2023 Offering, (i) 600,000 Shares of the Company's Common Stock, (ii) 1,650,000 2023 Pre-Funded Warrants exercisable for an aggregate of 1,650,000 shares of Common Stock, (iii) 2,250,000 Series C Common Warrants exercisable for an aggregate of 2,250,000 shares of Common Stock, and (iv) 2,250,000 Series D Common Warrants exercisable for an aggregate of 2,250,000 shares of Common Stock. The 2023 Offering closed on December 7, 2023. The combined purchase price of each share of Common Stock and the accompanying Common Warrants was $2.00 (the "Offering Price").

The Company agreed to pay the Placement Agents an aggregate cash fee equal to 5.5% of the gross proceeds received by the Company from the sale of the securities in the 2023 Offering. Pursuant to the placement agency agreement, dated December 5, 2023, entered into by and between the Company and the Placement Agents (the "Placement Agency Agreement"), the Company also agreed to reimburse the Placement Agents for their accountable offering-related legal expenses in an amount up to $75,000 and pay a non-accountable expense allowance of up to $15,000.

The Company received net proceeds of approximately $4 million in the 2023 Offering after deducting commissions and other issuance costs. Approximately $369,000 of issuance costs are reported in accrued expenses in the condensed consolidated balance sheet at March 31, 2024.

Securities Purchase Agreement and Warrants

On March 26, 2024, the Company entered into the 2024 Securities Purchase Agreement with the Securities Purchasers for the issuance and sale in the Private Placement of the following securities for gross proceeds of approximately $15.1 million: (i) 2,701,315 shares of the Common Stock, (ii) Pre-Funded Warrants to purchase up to 2,585,963 shares of the Company's Common Stock at an exercise price of $0.0001 per share, and (iii) Series E Common Stock purchase warrants to purchase up to 5,287,278 shares of the Company's Common Stock at an exercise price of $2.64 per share. The Series E Warrants are exercisable at any time after the six-month anniversary of their issuance at an exercise price of $2.64 per share and have a term of exercise equal to five years from the date of issuance. The combined purchase price for one share of common stock and the accompanying Series E Warrant was $2.85 and the purchase price for one pre-funded warrant and the accompanying Series E Warrant was $2.849.

A holder of the 2024 Pre-Funded Warrants and the Series E Warrants may not exercise any portion of such holder's 2024 Pre-Funded Warrants or the Series E Warrants to the extent that the holder, together with its affiliates, would beneficially own more than 4.99% (or, at the election of the holder, 9.99%) of the Company's outstanding shares of Common Stock immediately after exercise, except that upon at least 61 days' prior notice from the holder to the Company, the holder may increase the beneficial ownership limitation to up to 9.99% of the number of shares of Common Stock outstanding immediately after giving effect to the exercise.

The 2024 Pre-Funded Warrants are exercisable at any time after their original issuance, subject to the beneficial ownership limitation (as described above) and will not expire until exercised in full. The exercise price and number of shares of Common Stock issuable upon exercise of the 2024 Pre-Funded Warrants and Series E Warrants are subject to appropriate adjustment in the event of stock dividends, stock splits, reorganizations or similar events affecting our Common Stock and the exercise price.

If at the time of exercise on a date that is after the Initial Exercise Date, there is no effective registration statement or the prospectus contained therein is not available for the issuance of shares of Common Stock to the holders of the Series E Warrants, the Series E Warrants may be exercised, in whole or in part, at such time by means of a "cashless exercise." If at the time of exercise on a date that is after the 60th day anniversary of the Initial Exercise Date, there is no effective registration statement or the prospectus contained therein is not available for the issuance of shares of Common Stock to the holders of 2024 Pre-Funded Warrants, the 2024 Pre-Funded Warrants may also be exercised, in whole or in part, at such time by means of a "cashless exercise."

Pursuant to the 2024 Securities Purchase Agreement, the Company has agreed to prepare and file a registration statement with the Securities and Exchange Commission (the "SEC") registering the resale of the shares of Common Stock issued to the Securities

Purchasers in the Private Placement and the shares underlying the 2024 Pre-Funded Warrants and the Series E Warrants no later than 60 days after the date of the 2024 Securities Purchase Agreement (the "Filing Date"), to use its commercially reasonable efforts to have the registration statement declared effective as promptly as practical thereafter, and in any event not more than 75 days following the date of the 2024 Securities Purchase Agreement (or 90 days following the date of the 2024 Securities Purchase Agreement in the event of a "full review" by the SEC) (the "Effectiveness Date"), and to keep such registration statement effective at all times for a one year period after the closing date provided that the Company will have the right to suspend the registration statement for a period of fifteen (15) days during such one year period without being in breach. In the event that the resale registration statement is not (i) filed by the Filing Date or (ii) declared effective by the SEC by the Effectiveness Date, then, in addition to any other rights the Securities Purchasers may have under the 2024 Securities Purchase Agreement or under applicable law, on the Filing Date or the Effectiveness Date for a maximum of six months (each such date being referred to herein as an "Event Date") and on each monthly anniversary of such Event Date (if the resale registration statement shall not have been filed or declared effective by the applicable Event Date) until the resale registration statement is filed or declared effective, the Company shall pay to each Securities Purchaser an amount in cash, as partial liquidated damages and not as a penalty, equal to the product of 1.0% multiplied by the aggregate subscription amount paid by such Securities Purchaser pursuant to the 2024 Securities Purchase Agreement for each security not registered, which amount shall be capped at 6%. The registration statement was filed with the SEC on April 16, 2024 and declared effective by the SEC on April 24, 2024.

The Private Placement closed on April 1, 2024 at which time the Company received net proceeds of approximately $14.1 million, which was reported as a subscription receivable on the March 31, 2024 condensed consolidated balance sheet, from the Private Placement, after deducting estimated offering expenses payable by the Company, including placement agent fees and expenses. The Company intends to use the net proceeds received from the Private Placement primarily for general corporate purposes, including for research and development and working capital.

Chardan Capital Markets, LLC served as the exclusive placement agent in connection with the Private Placement and was paid (i) a cash fee equal to 6.0% of the aggregate gross proceeds of the Private Placement (reduced to 4.0% with respect to certain investors), and (ii) up to $50,000 for legal fees and other out-of-pocket expenses.

Pursuant to the terms of the 2024 Securities Purchase Agreement, the Company is prohibited from entering into any agreement to issue or announcing the issuance or proposed issuance of any shares of Common Stock or securities convertible or exercisable into Common Stock for a period commencing on March 26, 2024, and expiring 60 days from the Effective Date (as defined in the Purchase Agreement). Furthermore, the Company is also prohibited from entering into any agreement to issue Common Stock or Common Stock Equivalents (as defined in the 2024 Securities Purchase Agreement) involving a Variable Rate Transaction (as defined in the 2024 Securities Purchase Agreement), subject to certain exceptions, for a period commencing on March 26, 2024 and expiring one year from such Effective Date (as defined in the 2024 Securities Purchase Agreement); provided that sixty (60) days after the Effective Date entering into an at-the-market facility shall not be deemed a Variable Rate Transaction.

Vesting of Restricted Stock Units "RSUs"

During the first quarter of Fiscal 2024, RSUs for 4,467 shares of Common Stock were vested.

During the second quarter of Fiscal 2024, RSUs for 4,951 shares of Common Stock were vested.

During the third quarter of Fiscal 2024, RSUs for 20,409 shares of Common Stock were vested.

Warrants

Bryan Capital

As discussed above, the Company issued to Bryan Capital a Warrant to purchase 2,579 shares of the Common Stock of the Company at an exercise price of $665 per share. The Warrant expires October 10, 2026, is exercisable immediately, provides for a cashless exercise at any time and automatic cashless exercise on the expiration date if on such date the exercise price of the Warrant exceeds its fair market value as determined in accordance with the terms of the Warrant and adjustments in the case of stock dividends and stock splits.

Wainwright

As discussed above, the Company issued various warrants with the following terms:

- 2022 Pre-Funded Warrants – Immediately exercisable at an exercise price of $0.001 per share. All of the 2022 Pre-Funded Warrants were exercised in December 2022.
- Class A Warrants – Immediately exercisable at an exercise price of $20.80 per share for a term of five years.
- Class B Warrants – Immediately exercisable at an exercise price of $20.80 per share for a term of two years.
- Representative Warrants – Immediately exercisable at an exercise price of $26.00 per share for a term of five years.

No 2022 Warrants were exercised during the three and nine months ended March 31, 2024.

On August 4, 2023, the Company agreed to amend the exercise price with certain holders of the Series A Warrants and Series B Warrants that were acquired from the Company in the 2022 Offering that was completed in December 2022. Under the amended warrants, the Company agreed to amend existing Series A Warrants to purchase up to 173,795 shares of common stock and existing Series B Warrants to purchase up to 102,900 shares of common stock that were previously issued in December 2022 to the certain investors in the public offering, with exercise prices of $20.80 per share (the "Existing Warrants"), to lower the exercise price of the Existing Warrants to $10.00 per share.

Lincoln Park Stock Purchase Agreement

As discussed above, on August 4, 2023, the Company entered into a Purchase Agreement, with Lincoln Park, pursuant to which, under the terms and subject to the satisfaction of specified conditions set forth therein, the Company may sell to Lincoln Park up to $10.0 million (subject to certain limitations) of Common Stock, from time to time during the term of the Purchase Agreement. Additionally, on August 4, 2023, the Company entered into a registration rights agreement, dated as of August 4, 2023 (the "Registration Rights Agreement"), with Lincoln Park, pursuant to which it agreed to file a registration statement with the SEC, to register under the Securities Act of 1933, as amended (the "Securities Act"), the resale by Lincoln Park of shares of Common Stock that have been or may be issued and sold by the Company to Lincoln Park under the Purchase Agreement. The Company could not sell any shares of Common Stock to Lincoln Park under the Purchase Agreement unless all of the conditions to Lincoln Park's purchase obligation set forth in the Purchase Agreement were met, including that the resale registration statement that the Company is required to file with the SEC under the Registration Rights Agreement is declared effective by the SEC and a final prospectus relating thereto is filed with the SEC (the date on which all of such conditions are satisfied, the "Commencement Date"). The registration statement was declared effective on August 11, 2023.

Beginning on the Commencement Date and for a period of up to 24 months thereafter, under the terms and subject to the conditions of the Purchase Agreement, from time to time, at the Company's discretion, it had the right, but not the obligation, to sell to Lincoln Park, and Lincoln Park was obligated to purchase, up to $10 million of shares of Common Stock, subject to certain limitations set forth in the Purchase Agreement. Specifically, from time to time from and after the Commencement Date, the Company could, at its discretion, on any single business day on which the closing price of the common stock on the NYSE American is equal to or greater than $3.00, by written notice delivered to Lincoln Park, direct Lincoln Park to purchase up to 5,000 shares of Common Stock on such business day, at a purchase price per share that will be determined and fixed in accordance with the Purchase Agreement at the time the Company delivers such written notice to Lincoln Park (each, a "Regular Purchase"); provided, however, that the maximum number of shares the Company may sell to Lincoln Park in a Regular Purchase may be increased to up to (i) 7,500 shares, if the closing sale price of the Common Stock on the NYSE American on the applicable purchase date is not below $20.00, and (ii) 10,000 shares, if the closing sale price of the Common Stock on the applicable purchase date is not below $40.00; provided, however, that Lincoln Park's maximum purchase commitment in any single Regular Purchase may not exceed $500,000. The foregoing share amounts and per share prices will be adjusted for any reorganization, recapitalization, non-cash dividend, stock split, reverse stock split or other similar transaction occurring after the date of the Purchase Agreement with respect to the Common Stock. The purchase price per share of Common Stock sold in each such Regular Purchase, if any, will be based on market prices of the Common Stock immediately preceding the time of sale, calculated as set forth in the Purchase Agreement.

In addition, provided that the Company had directed Lincoln Park to purchase the maximum amount of shares that it is then able to sell to Lincoln Park in a Regular Purchase on a particular business day on which the closing price of the common stock on the NYSE American is equal to or greater than $4.00, then in addition to such Regular Purchase, the Company may, in its sole discretion, also direct Lincoln Park to purchase additional shares of Common Stock in an "accelerated purchase," and one or more "additional accelerated purchases" on the business day immediately following the purchase date for such Regular Purchase, as provided in the Purchase Agreement. The purchase price per share of Common Stock sold to Lincoln Park in each accelerated purchase and additional accelerated purchase, if any, will be based on market prices of the Common Stock at the time of sale on the applicable purchase date for such accelerated purchase and such additional accelerated purchase(s), as applicable, calculated as set forth in the Purchase Agreement.

There are no upper limits on the price per share that Lincoln Park must pay for shares of Common Stock in any purchase under the Purchase Agreement.

The Company controlled the timing and amount of any sales of Common Stock to Lincoln Park pursuant to the Purchase Agreement. Lincoln Park had no right to require the Company to sell any shares of Common Stock to Lincoln Park, but Lincoln Park was obligated to make purchases as the Company directs, subject to certain conditions.

As consideration for Lincoln Park's commitment to purchase shares of Common Stock at the Company's direction pursuant to the Purchase Agreement, the Company issued 10,573 shares of Common Stock to Lincoln Park as commitment shares (the "Initial Commitment Shares") and agreed to issue 10,573 additional shares of Common Stock to Lincoln Park as commitment shares (the "Additional Commitment Shares" and, collectively with the Initial Commitment Shares, the "Commitment Shares") at such time as the Company had received an aggregate of $5,000,000 in cash proceeds from Lincoln Park from sales of Common Stock to Lincoln Park, if any, that it elects, in its sole discretion, to make from time to time from and after the Commencement Date, pursuant to the Purchase Agreement.

During the first quarter of Fiscal 2024, Lincoln Park purchased pursuant to the Purchase Agreement 181,141 shares of Common Stock and the Company received net proceeds of approximately $1.2 million. During the second quarter of Fiscal 2024, an additional 21,457 shares of Common Stock were sold to Lincoln Park under the Purchase Agreement and the Company received net proceeds of approximately $122,000. No shares remain available for sale under the Purchase Agreement at March 31, 2024.

A.G.P./Alliance Global Partners

On December 7, 2023, the Company, completed the 2023 Offering of (i) 600,000 shares Common Stock, (ii) 1,650,000 Pre-Funded Warrants exercisable for an aggregate of 1,650,000 shares of Common Stock, (iii) 2,250,000 Series C Common Warrants exercisable for an aggregate of 2,250,000 shares of Common Stock, and (iv) 2,250,000 Series D Common Warrants exercisable for an aggregate of 2,250,000 shares of Common Stock exercisable for an aggregate of 2,250,000 shares of Common Stock. The terms of the Pre-Funded Warrants, Series C Common Warrants and Series D Common Warrants were described in the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on December 6, 2023, which description is incorporated by reference herein.

Each share of Common Stock and Pre-Funded Warrant, as applicable, was sold together with one Series C Common Warrant to purchase one share of Common Stock and one Series D Common Warrant to purchase one share of Common Stock. The combined purchase price of each share of Common Stock and the accompanying Common Warrants was the Offering Price and the combined purchase price of each Pre-Funded Warrant and the accompanying Common Warrants was $1.9999, which is equal to the combined purchase price per share of Common Stock and accompanying Common Warrants, minus the exercise price of each Pre-Funded Warrant of $0.0001. The Series C Common Warrants and the Series D Common Warrants have an exercise price of $2.00 per share and are immediately exercisable. The Series C Common Warrants will expire two (2) years from the date of issuance and the Series D Common Warrants will expire five (5) years from the date of issuance.

During the second quarter of Fiscal 2024, 1,236,000 of Pre-Funded Warrants were exercised.

During the third quarter of Fiscal 2024, 414,000 of 2023 Pre-Funded Warrants, 1,131,500 Series C Common Warrants and 1,006,500 Series D Common Warrants were exercised for proceeds of $4,276,000.

In April 2024, 48,000 Series C Common Warrants and 48,000 Series D Common Warrants were exercised for proceeds of $192,000.

Chardan Capital Markets

On April 1, 2024, the Company completed the Private Placement of (i) 2,701,315 shares of the Common Stock, (ii) 2024 Pre-Funded Warrants to purchase up to 2,585,963 shares of the Company's Common Stock at an exercise price of $0.0001 per share, and (iii) Series E to purchase up to 5,287,278 shares of the Company's Common Stock at an exercise price of $2.64 per share. The Series E Warrants are exercisable at any time after the Initial Exercise Date at an exercise price of $2.64 per share and have a term of exercise equal to five years from the date of issuance. The combined purchase price for one share of common stock and the accompanying Series E Warrant was $2.85 and the purchase price for one pre-funded warrant and the accompanying Series E Warrant was $2.849.

A holder of the 2024 Pre-Funded Warrants and the Series E Warrants may not exercise any portion of such holder's 2024 Pre-Funded Warrants or the Series E Warrants to the extent that the holder, together with its affiliates, would beneficially own more than 4.99% (or, at the election of the holder, 9.99%) of the Company's outstanding shares of Common Stock immediately after exercise, except that upon at least 61 days' prior notice from the holder to the Company, the holder may increase the beneficial ownership limitation to up to 9.99% of the number of shares of Common Stock outstanding immediately after giving effect to the exercise.

The 2024 Pre-Funded Warrants are exercisable at any time after their original issuance, subject to the beneficial ownership limitation (as described above) and will not expire until exercised in full. The exercise price and number of shares of Common Stock issuable upon exercise of the 2024 Pre-Funded Warrants and Series E Warrants are subject to appropriate adjustment in the event of stock dividends, stock splits, reorganizations or similar events affecting our Common Stock and the exercise price.

If at the time of exercise on a date that is after the Initial Exercise Date, there is no effective registration statement or the prospectus contained therein is not available for the issuance of shares of Common Stock to the holders of the Series E Warrants, the Series E Warrants may be exercised, in whole or in part, at such time by means of a "cashless exercise." If at the time of exercise on a date that is after the 60th day anniversary of the Initial Exercise Date, there is no effective registration statement or the prospectus contained therein is not available for the issuance of shares of Common Stock to the holders of 2024 Pre-Funded Warrants, the 2024 Pre-Funded Warrants may also be exercised, in whole or in part, at such time by means of a "cashless exercise."

No Series E Warrants were exercised during the three and nine months ended March 31, 2024.

17. Earnings (Loss) Per Common Share

Basic earnings (loss) per common share is computed by dividing the net income (loss) allocated to common stockholders by the weighted-average number of shares of Common Stock outstanding during the period. For purposes of calculating diluted earnings (loss) per common share, the denominator includes both the weighted-average number of shares of Common Stock outstanding during the period and the number of common stock equivalents if the inclusion of such common stock equivalents is dilutive. Dilutive common stock equivalents potentially include stock options and warrants using the treasury stock method. The following table summarizes the components of the earnings (loss) per common share calculation (in thousands, except per share amounts):

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2024	2023	2024	2023
Basic and diluted numerator:				
Net loss from continuing operations	$ (2,635)	$ (6,279)	$ (12,197)	$ (24,379)
Net loss from discontinued operations	$ (537)	$ (1,015)	$ (4,932)	$ (34,598)
Net loss - total	$ (3,172)	$ (7,294)	$ (17,129)	$ (58,977)
Basic and diluted denominator:				
Weighted-average common shares outstanding	3,713	659	2,247	530
Per share amount - continuing operations	$ (0.71)	$ (9.53)	$ (5.43)	$ (46.00)
Per share amount - discontinued operations	$ (0.14)	$ (1.54)	$ (2.19)	$ (65.28)
Per share amount - total	$ (0.85)	$ (11.07)	$ (7.62)	$ (111.28)

In Fiscal 2024 and Fiscal 2023, the Company incurred net losses which cannot be diluted; therefore, basic and diluted loss per common share is the same. As of March 31, 2024 and 2023, shares issuable which could potentially dilute future earnings were as follows:

	March 31,	
	2024	2023
	(in thousands)	
Stock options	33	22
Restricted stock units	61	22
Warrants	10,661	297
Shares excluded from the calculation of diluted loss per share	10,755	341

18. Share-Based Compensation

The following table summarizes the components of share-based compensation expense in the condensed consolidated statements of operations and comprehensive loss (in thousands):

	Three Months Ended March 31,	
	2024	2023
Research and development	$ 33	$ 40
General and administrative	421	345
Total	$ 454	$ 385

	Nine Months Ended March 31,	
	2024	2023
Research and development	$ 229	$ 96
General and administrative	1,441	2,330
Total	$ 1,670	$ 2,426

In addition, share-based compensation expense included in loss from discontinued operations totaled approximately $3,000 and $1,211,000 for the three months ended March 31, 2024 and 2023, respectively, and $9,000 and $1,519,000 for the nine months ended March 31, 2024 and 2023, respectively.

Stock Options

iBio, Inc. 2023 Omnibus Equity Incentive Plan (the "2023 Plan")

On December 9, 2023, the Company adopted the 2023 Plan for employees, officers, directors and external service providers which is the successor to the 2020 Omnibus Equity Incentive Plan (the "2020 Plan") and once approved became effective on January 1, 2024. The maximum number of shares of Common Stock reserved and available for issuance under the 2023 Plan is 1,200,000 shares (the "Limit"). In addition, such Limit shall automatically increase on January 1 of each calendar year commencing on January 1, 2025 and ending on (and including) January 1, 2033, by a number of shares of Common Stock equal to five percent (5%) of the total number of shares of Common Stock outstanding on December 31 of the preceding calendar year; provided, however, that the Board may act prior to January 1 of a given calendar year to provide that the increase for such year will be a lesser number of shares of Common Stock, provided further that the Limit, as in effect at any time, shall be adjusted as a result of any reorganization, recapitalization, reclassification, stock dividend, extraordinary cash dividend, stock split, reverse stock split or other similar change in the Company's capital stock. The 2023 Plan allows for the award of stock options, stock appreciation rights, restricted stock, restricted stock units, unrestricted stock, cash-based awards, and dividend equivalent rights. The value of all awards awarded under the 2023 Plan and all other cash compensation paid by the Company to any non-employee director in any calendar year may not exceed $500,000; provided, however, that such amount shall be $750,000 for the calendar year in which the applicable non-employee director is initially elected or appointed to the Board and $1,500,000 for any non-executive chair of the Company's Board should one be appointed. Notwithstanding the foregoing, the independent members of the Board may make exceptions to such limits in extraordinary circumstances. The term of the 2023 Plan will expire on the tenth anniversary of the date the Plan is approved by the stockholders.

Vesting of service awards are determined by the Board and stated in the award agreements. In general, vesting occurs ratably on the anniversary of the grant date over the service period, generally three or five years, as determined at the time of grant. Vesting of performance awards occurs when the performance criteria is satisfied. The Company uses historical data to estimate forfeiture rates.

Under the 2023 Plan, 17,500 common shares have been issued pursuant to past grants, 61,300 common shares are reserved for past grants, and the remaining 1,121,200 common are available for future grants as of March 31, 2024.

iBio, Inc. 2020 Omnibus Equity Incentive Plan (the "2020 Plan")

On December 9, 2020, the Company adopted the 2020 Plan for employees, officers, directors and external service providers. The total number of shares of Common Stock reserved under the 2020 Plan is 64,000 shares of Common Stock for issuance pursuant to the grant of new awards under the 2020 Plan. The 2020 Plan allows for the award of stock options, stock appreciation rights, restricted stock, restricted stock units, unrestricted stock, cash-based awards, and dividend equivalent rights. The value of all awards awarded under the 2020 Plan and all other cash compensation paid by the Company to any non-employee director in any calendar year may not exceed $500,000; provided, however, that such amount shall be $750,000 for the calendar year in which the applicable non-employee director is initially elected or appointed to the Board and $1,500,000 for any non-executive chair of the Company's Board should one be

appointed. Notwithstanding the foregoing, the independent members of the Board may make exceptions to such limits in extraordinary circumstances. The term of the 2020 Plan will expire on the tenth anniversary of the date the Plan is approved by the stockholders.

Vesting of service awards are determined by the Board and stated in the award agreements. In general, vesting occurs ratably on the anniversary of the grant date over the service period, generally three or five years, as determined at the time of grant. Vesting of performance awards occurs when the performance criteria is satisfied. The Company uses historical data to estimate forfeiture rates.

Under the 2020 Plan, 23,183 common shares have been issued pursuant to past exercises, 31,986 common shares are reserved for past grants, and the remaining 8,831 common shares will no longer be available for future grants as of March 31, 2024.

Stock options issued

During the first quarter of Fiscal year 2024, the Company granted stock option agreements to various employees to purchase 23,650 shares of the Common Stock at an exercise price of $7.00 per share. The options vest 25% after one year and then in equal quarterly installments over a 36-month period and expire on the tenth anniversary of the grant date.

The Company estimated the fair value of options granted using the Black-Scholes option pricing model with the following assumptions:

Weighted-average risk-free interest rate	4.52 %
Dividend yield	0 %
Volatility	157.77 %
Expected term (in years)	4.2

No stock option agreements were granted during the second and third quarters of Fiscal year 2024.

RSUs

No RSUs were granted during the first and second quarters of Fiscal year 2024.

On January 26, 2024, the Compensation Committee of the Board approved a special equity award program pursuant to which it awarded to its employees an aggregate of 78,800 RSUs under the Company's 2023 Plan, vesting quarterly over 12 months commencing. The grant-date fair value of the RSUs totaled approximately $93,000.

19. Fraunhofer Settlement

On May 4, 2021, the Company and Fraunhofer USA, Inc. ("FhUSA") entered into a Confidential Settlement Agreement and Mutual Release (the "Settlement Agreement") to settle all claims and counterclaims in the litigation captioned iBio, Inc. v. Fraunhofer USA, Inc. (Case No. 10256-VCF) in Delaware Chancery Court (the "Lawsuit"). The Settlement Agreement, among other things, resolves the Company's claims to ownership of certain plant-based technology developed by FhUSA from 2003 through 2014, and sets forth the terms of a license of intellectual property. The Lawsuit was commenced against FhUSA by the Company in March 2015 in the Court of Chancery of the State of Delaware and is described in more detail in the Company's Quarterly Report on Form 10-Q for the quarter ended December 31, 2020. The Settlement Agreement is not an admission of liability or fault of the parties.

The terms of the Settlement Agreement provided for cash payments to the Company of $28,000,000 as follows: (i) $16,000,000 to be paid no later than May 14, 2021 (paid 100% to cover legal fees and expenses); (ii) two payments of $5,100,000 payable by March 31, 2022 and 2023 and (iii) as additional consideration for a license agreement, two payments of $900,000 due on March 1, 2022 and 2023. The license provided for a nonexclusive, nontransferable, worldwide, fully paid-up license to all intellectual property rights in and to certain plant-based technology developed by FhUSA from 2003 through 2014 that were the subject of the Lawsuit. After payment of the fees and expenses of its attorneys and others retained by the Company, including the litigation funding company, the Company's aggregate net cash recovery as a result of the Settlement Agreement was $10,200,000.

As of June 30, 2021, the Company held receivables related to the settlement in the amount of $10,200,000. This amount was recorded in the consolidated statement of operations and comprehensive loss as settlement income in Fiscal 2021. During the quarter ended March 31, 2022, the Company received the first payment of $5,100,000.

On March 17, 2023, the Company received a payment of $5,100,000 from Fraunhofer related to the Fraunhofer Settlement Funds and in accordance with the Fourth Amendment to the Credit Agreement with Woodforest, transferred $3,000,000 to a Company account at Woodforest on March 24, 2023.

The Company would recognize the $1.8 million of license revenue when it determines the collection of the license fees was reasonably assured in accordance with ASC 606. On February 9, 2022, the Company received the first $900,000 payment under the license agreement. As such, the Company determined that the collection of the license fees was reasonably assured, and the Company recognized license revenue related to the license fees and recorded a receivable for the second payment in the third quarter of 2022. The second $900,000 payment was received on February 17, 2023.

All cash payments owed pursuant to the terms of the Settlement Agreement have been received as of March 31, 2024.

20. Income Taxes

The Company recorded no income tax expense for the three and nine months ended March 31, 2024 and 2023 because the estimated annual effective tax rate was zero. As of March 31, 2024, the Company continues to provide a valuation allowance against its net deferred tax assets since the Company believes it is more likely than not that its deferred tax assets will not be realized.

21. Commitments and Contingencies

CRO Agreement

On October 10, 2022, the Company entered into an agreement with a CRO for cell line development and master cell banking to produce iBio-101 in addition to process development and GMP manufacturing of iBio-101 drug substance and drug product to support GLP toxicology and Phase 1 clinical studies. The Company incurred costs of $0 and $0.2 million for the three and nine months ended March 31, 2024, respectively, and has incurred total costs of approximately $1.4 million since the project's inception. The Company has no further commitment for additional costs.

Inflation

Although the Company has not experienced any material adverse effects on its business due to increasing inflation, it has raised operating costs for many businesses and, in the future, could impact demand or pricing of manufacturing services, foreign exchange rates or employee wages. The Company is actively monitoring the effects these disruptions and increasing inflation could have on its operations.

22. Employee 401(k) Plan

Commencing January 1, 2018, the Company established the iBio, Inc. 401(k) Plan (the “Plan”). Eligible employees of the Company may participate in the Plan, whereby they may elect to make elective deferral contributions pursuant to a salary deduction agreement and receive matching contributions upon meeting age and length-of-service requirements. The Company will make a 100% matching contribution that is not in excess of 5% of an eligible employee’s compensation. In addition, the Company may make qualified non-elective contributions at its discretion. For the three months ended March 31, 2024 and 2023, employer contributions made to the Plan totaled approximately $43,000 and $56,000, respectively. For the nine months ended March 31, 2024 and 2023, employer contributions made to the Plan totaled approximately $122,000 and $200,000, respectively. In addition, employer contributions included in loss from discontinued operations totaled approximately $0 and $17,000 for the three months ended March 31, 2024 and 2023, respectively, and approximately $10,000 and $129,000 for the nine months ended March 31, 2024 and 2023, respectively.

23. Subsequent Events

The Company has evaluated all events subsequent to the balance sheet date through May 13, 2024, the date these financial statements are available to be issued. During this period, there were no material subsequent events requiring disclosure except as discussed below and in Note 16 – Stockholders’ Equity.

Vesting of RSUs

During the fourth quarter of Fiscal year 2024, RSUs for 12,227 shares of Common Stock were vested.

Equity Grants

On April 26, 2024, the Compensation Committee of the Board approved stock option grants to various employees to purchase 80,800 shares of the Common Stock at an exercise price of $1.72 per share, which included a stock option grant of 35,800 shares of the Common Stock to Felipe Duran, the Company’s Chief Financial Officer. The options vest 25% after one year and then in equal quarterly installments over a 36-month period and expire on the tenth anniversary of the grant date. In addition, the Compensation Committee of

the Board approved stock option grants to various consultants to purchase 399,000 shares of the Common Stock at an exercise price of $1.72 per share. The options vest quarterly over 12 months commencing on April 26, 2024.

On May 9, 2024, the Board approved a stock option grant to Dr. Martin Brenner, the Company's Chief Executive Officer and Chief Scientific Officer, to purchase 147,300 shares of the Common Stock at an exercise price of $1.88 per share, which options vest 25% after one year and then in equal quarterly installments over a 36-month period and expire on the tenth anniversary of the grant date. On May 9, 2024, the Board approved stock option grants to Dr. Brenner, Mr. Duran and an employee, to purchase 110,000 shares, 90,000 shares and 55,000 shares, respectively, of the Common Stock at an exercise price of $1.88 per shares, which options vest in equal amounts on a quarterly basis over a 36-month period.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following information should be read together with the consolidated financial statements and the notes thereto and other information included elsewhere in this Quarterly Report on Form 10-Q (this "Report") and in our Annual Report on Form 10-K for the year ended June 30, 2023, as filed with the SEC on September 27, 2023 (the "Annual Report"). Unless the context requires otherwise, references in this Report to "iBio," the "Company," "we," "us," or "our" and similar terms mean iBio, Inc.

Forward-Looking Statements

This Report contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). For this purpose, any statements contained herein regarding our strategy, future operations, financial position, future revenues, projected costs and expenses, prospects, plans and objectives of management, other than statements of historical facts, are forward-looking statements. The words "anticipate," "believe," "estimate," "may," "plan," "will," "would" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Such statements reflect our current views with respect to future events. Because these forward-looking statements involve known and unknown risks and uncertainties, actual results, performance or achievements could differ materially from those expressed or implied by these forward-looking statements for a number of important reasons, including those discussed in this "Management's Discussion and Analysis of Financial Condition and Results of Operations" and elsewhere in this Report, as well as in the section titled "Risk Factors" in our Annual Report. We cannot guarantee any future results, levels of activity, performance or achievements. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this Report as anticipated, believed, estimated or expected. The forward-looking statements contained in this Report represent our estimates as of the date of this Report (unless another date is indicated) and should not be relied upon as representing our expectations as of any other date. While we may elect to update these forward-looking statements, we specifically disclaim any obligation to do so unless otherwise required by securities laws.

Overview

iBio, Inc. (“iBio,” “we,” “us,” or “our”) is a pioneering biotechnology company at the intersection of AI and biologics, committed to reshaping the landscape of discovery. Our core mission is to harness the potential of AI and machine learning to unveil elusive biologics that stand out and have evaded other scientists. Through our innovative platform, we champion a culture of innovation by identifying novel targets, forging strategic collaborations to enhance efficiency, diversify pipelines, and with the goal of accelerating preclinical processes.

Additionally, our groundbreaking EngageTx™ technology enables us to target bi-specific molecules. With the ability to navigate sequence diversity and promote Human-Cyno cross reactivity while mitigating cytokine release, our goal is to enhance agility and bolster preclinical safety assessments.

Our strategic approach to fulfilling our mission is outlined as follows:

- **Elevate Epitope Discovery:** We believe we lead the field with our patented AI-engine uncovering "hard to develop" molecules. Our unparalleled epitope engine stands out by allowing the ability to target select regions of a protein, potentially removing the lengthy trial and error out of mAb discovery. This capability is expected to improve probability of success while at the same time, reduces costs commonly caused by having an iterative process. Our epitope engine is engineered to match its target, refined for stability and optimized for water solubility, allowing us to identify new drug candidates that have failed or have been abandoned due to their complexity.

- **Capital Efficient Business Approach:** Our strategic business approach is structured around the following pillars of value creation:

    - **Strategic Partnerships**: We are leveraging our platform and pipeline by forming strategic partnerships. Our aim is to become the preferred partner for major pharmaceutical and biotechnology companies seeking rapid and cost-effective integration of complex molecules into their portfolios, de-risking their early-stage pre-clinical work. Additionally, a rich array of fast follower molecules within our pre-clinical pipeline holds the potential to drive substantial partnerships, opening doors to innovative projects. By tapping into our platform, infrastructure, and expertise, partners have the potential to streamline timelines, reduce costs tied to biologic drug discovery applications and cell line process development, and expedite preclinical programs with efficiency.

    - **Tech Licensing in Diverse Therapeutic Areas:** In pursuit of adding value, we are exploring partnerships in diverse therapeutic domains such as CNS or vaccines. Our intention is to license the AI tech stack, extending its benefits to our partners and amplifying its biological impact and insights. This strategic approach enables us to capitalize on the value of our meticulously curated data while empowering collaborations and innovations.

    - **Developing and Advancing Our In-house Programs Cost Effectively**: Clinical advancement is crucial for drug discovery. We are actively looking for opportunities to progress our internal pre-clinical programs, with a focal point on oncology, obesity, and cardiometabolic diseases, steadily reinforcing our pre-clinical pipeline.

- **Unwavering Investment in Advancing the Platform:** We maintain an unwavering commitment to invest in our platform, continually unlocking the potential of biology through AI and machine learning – the pinnacle of being on the forefront of machine learning advancing algorithms and models in order to improve its predictive power and reduce the time it takes to find a viable molecule.

In essence, we are sculpting a future where cutting-edge AI-driven biotechnology propels the discovery of intricate biologics, fostering partnerships, accelerating innovation, and propelling the advancement of science.

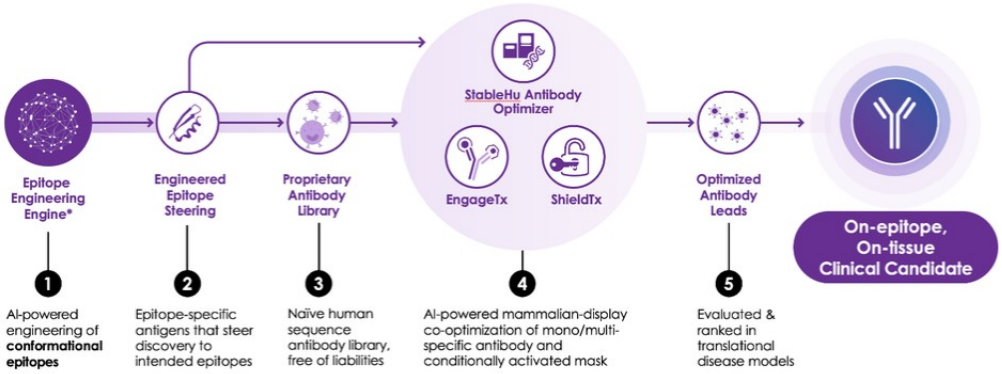
AI Drug Discovery Platform

Overview

Our platform comprises five key components, each playing a crucial role in the discovery and optimization of precision antibodies.

The first layer, epitope engineering, leverages the patented AI-engine to target specific regions of proteins, allowing us to engineer antibodies with high specificity and efficacy. The second layer involves the proprietary antibody library, which is built on clinically validated frameworks and offers a rich diversity of human antibodies. The third layer of the technology stack is the antibody optimizing StableHu AI technology, coupled with mammalian display technology. Next, we use our EngageTx T-cell engager platform to create

bispecific antibodies. And last, antibodies are transformed into conditionally activated antibodies by ShieldTx, our antibody masking technology. Each layer of the tech stack is designed to work synergistically, enabling us to rapidly advance antibodies from concept to in vivo proof-of-concept (POC).



- **AI Epitope Steering Technology**

  Our epitope steering technology is designed to address these issues by guiding antibodies exclusively against the desired regions of the target protein. By focusing on these specific regions, we can overcome the limitations of traditional methods and significantly improve the efficiency and effectiveness of our antibody discovery process. Our AI engine creates engineered epitopes, which are small embodiments of epitopes on the target protein. The engine is trained to match the epitope structure as closely as possible and refine the designs for greater stability and water solubility, which are critically important factors. The optimized engineered epitope is then used to identify antibodies from naïve or immunized libraries.

- **Naïve Human Antibody Library**

  The fully human antibody library is built upon clinically validated, entirely human antibody frameworks. By leveraging public databases, we have extracted a diverse array of Complementarity-Determining Region ("CDR") sequences. Subsequently, we have meticulously eliminated a range of sequence liabilities. Such careful curation process could potentially significantly reduce the development risk for antibodies identified from our library.

- **StableHu™ AI Antibody-Optimizing Technology**

  Our proprietary StableHu technology is instrumental in the optimization process. StableHu is an AI-powered tool designed to predict a library of antibodies with fully human CDR variants based on an input antibody. This input can range from an early, unoptimized molecule to an approved drug. The model has been trained utilizing a set of over 1 billion human antibodies, progressively masking known amino acids within CDRs until the algorithm could predict the correct human sequence.

  While phage display libraries are often used in antibody optimization due to their vast diversity, they can increase developability risks such as low expression, instability, or aggregation of antibodies. Mammalian display libraries, on the other hand, offer significantly improved developability but reduced diversity due to the smaller library size they can handle. StableHu overcomes this limitation by utilizing a machine learning algorithm generating focused library diversity within the capacity of mammalian display.

  Mammalian display is a technology that presents antibodies on the surface of mammalian cells, allowing for the direct screening and selection of antibodies in a mammalian cell environment. This approach is advantageous as antibodies that express well on the mammalian cells used in the display are more likely to express well in the production cell line. Moreover, single-cell sorting of antibody-displaying cells allows rapid selection of desired antibodies based on multiple dimensions, such as potency, selectivity, and cross-species selectivity.

When paired with mammalian display technology, StableHu enables antibody optimization with fewer iterative optimization steps, lower immunogenicity risk, and improved developability.

- **EngageTx CD3-Based T-Cell Engager Panel**

  We have used antibodies from an epitope steering campaign as well as a first-generation T-cell engager as input and utilized our StableHu technology to identify a next-generation CD3 antibody panel. The sequence diversity generated by StableHu led to an antibody panel with a wide range of potencies, which allows us to pair the panel with a wide variety of tumor-targeting antibodies. Importantly, we were able to retain T-cell activation and tumor cell killing capacity with significantly reduced cytokine release. This reduction is believed to lower the risk of cytokine release syndrome. Additionally, the increased humanness of the predicted antibodies, thanks to our StableHu technology, has the ability to reduce the risk of immunogenicity.

  Furthermore, our StableHu technology enabled us to engineer NHP cross-reactivity into EngageTx. This allows for advanced safety assessment in NHP ahead of clinical trials, providing another layer of safety assurance.

- **ShieldTx**

  We have enhanced our proprietary technology with the introduction of ShieldTx, patent-pending innovative antibody masking technique. ShieldTx leverages our engineered epitope technology, which is utilized not only for the identification of antibodies against complex drug targets but also for concealing the antibodies' active sites. A significant hurdle in therapeutic antibody development is the expression of drug target on both healthy and diseased tissues, leading to adverse effects on non-targeted tissues. ShieldTx is designed to address this challenge by rendering antibodies inactive until they reach a specific environment unique to diseased tissues. Upon contact with this environment, the masking element is detached, activating the antibody. In the tumor microenvironment this is achieved by a highly expressed matrix metalloproteinase. This strategy aims to minimize or eliminate unintended effects on healthy tissues, thereby improving the safety profile and reducing the immunogenicity risks associated with bispecific antibodies.

Modalities

Epitope steering, an innovative AI-based technology we are pioneering, has the potential to positively impact various areas of medicine. Foremost in immuno-oncology, this technology is instrumental in creating targeted antibodies against specific cancer antigens, potentially enhancing the efficacy of treatments like checkpoint inhibitors and CAR-T therapies.

Similarly, in the battle against obesity and cardiometabolic disorders, epitope steering enables the discovery of therapeutics aimed at systemic secreted and cell-surface agents—key factors in these prevalent health issues. Its application could potentially lead to emerging treatments in cardiovascular diseases by targeting specific damaged tissues.

Beyond these areas, epitope steering may contribute to advancements in treating immune system diseases, neurological conditions, infectious diseases, and rare genetic disorders. In the specialized field of intratumoral immuno-oncology, there is potential for epitope steering to modify the tumor microenvironment, which could improve the outcomes of immune-stimulatory protein therapies. Additionally, the precision offered by epitope steering could play a role in the next generation of cancer vaccines, aiming to enhance T cell responses.

While the prospects are broad, epitope steering remains a hopeful strategy in the development of novel treatments, extending through pain management, and potentially even vaccine development for complex protein structures that have been difficult to target.

Partnerships

As noted above, one of the three pillars of value creation that structures of our strategic business approach are strategic partnerships. At the center of such pillar is our AI Discovery Platform.

In June 2023, we entered into a research collaboration with the NIAID, a component of the NIH, to investigate the potential of our patented AI-driven epitope steering platform for the development of a vaccine for Lassa fever, a sometimes fatal viral disease endemic to parts of West Africa. Under the collaboration, we worked with the NIAID’s Vaccine Research Center to determine whether using our AI Discovery Platform to steer immunity toward viral epitopes identified by the vaccine center’s researchers could offer advantages over other vaccine development approaches. We designed ten engineered epitopes for the collaboration, which were screened for binding to three known Lassa fever neutralizing antibodies, alongside the NIAID 's Vaccines Research Center’s internal epitope designs. Importantly, our engineered epitopes showed binding to the Lassa neutralizing antibodies and were among the top-ranked hits regarding expression, an important consideration for cost-effective vaccine production. While the NIAID elected not to proceed with joint

optimization of the lead hits, we enhanced our discovery process as a result of the collaboration, incorporating diffusion-based generative AI models into our engineered epitope designs. The new models are already contributing to our pipeline development and are being used with current partners.

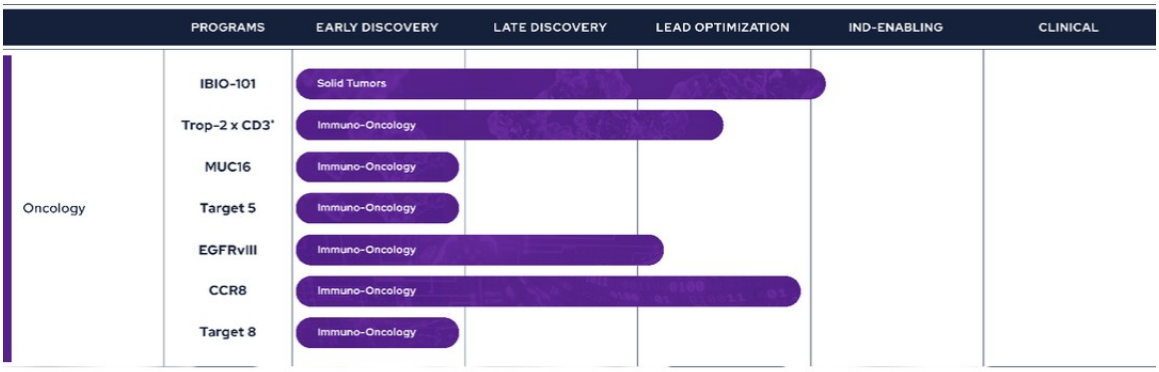
During the first quarter FY 2024, we entered into a collaboration with a partner to license the use of our AI Discovery Platform to assist such partner with two targets of interest. During the second quarter FY 2024, we entered into a collaboration with a large pharmaceutical company to assist such partner by using our patented AI-driven epitope steering platform to assist with one "hard to develop" molecule.

In March 2024, we entered into a collaboration with AstralBio. As part of the collaboration, we granted an exclusive license to our AI-powered technology to identify and engineer four (4) targets for the treatment of cardiometabolic disease, of which AstralBio may continue the pre-clinical development and deploy its drug development expertise to advance candidates to an IND application. We have the exclusive option to license three (3) cardiometabolic targets from AstralBio and will receive the rights to develop, manufacture and commercialize those targets upon exercise. As a result of this collaboration, we have agreed with AstralBio to initiate the development of a novel lead program focused on targeting the transforming growth factor beta (TGFb) superfamily for the treatment of muscle wasting and obesity.

We continue to seek out opportunities for future collaborations using our AI Discovery Platform.

Pipeline

We are currently in the process of building and advancing our pipeline. The focus of our pipeline is expanding beyond immuno-oncology, with the addition of obesity and cardiometrabolic diseases. By leveraging our technology stack, the pipeline is geared towards hard-to-drug targets and molecules offering differentiation. To reduce target risk and leverage competitor insights, one of the Company's strategic approaches involves focusing on best-in-class therapies. The Company's approach by targeting molecules that have already been partially validated allows the Company to benefit from the progress made by others in the field. A second strategy is dedicated to pioneering first-in-class therapies. Utilizing the Company's AI Discovery Platform, it innovates by creating antibodies aimed at hard-to-drug targets, maximizing the potential of our cutting-edge technology.



Therapeutics

Immuno-Oncology

IBIO-101

In August 2021, we signed a worldwide exclusive licensing agreement with RubrYc to develop and commercialize RTX-003 (now referred to as IBIO-101), an anti-CD25 monoclonal antibody ("mAb"). In September 2022, we acquired exclusive ownership rights to IBIO-101. IBIO-101 is a second-generation anti-CD25 mAb that has demonstrated in preclinical models of disease the ability to bind and deplete immunosuppressive regulatory T ("Treg") cells to inhibit the growth of solid tumors.

Targeting depletion of Treg cells to control tumors emerged as an area of interest in oncology over the past several years. Since Treg cells express interleukin-2 Rα ("IL-2Rα" or "CD25"), it was envisioned mAbs could be developed that bind CD25 and thereby trigger depletion by Natural Killer cells, resulting in stimulation of anti-tumor immunity.

Unfortunately, while first-generation mAbs successfully bound $CD25^{+}$ cells, they also interfered with interleukin-2 ("IL-2") signaling to T effector ("Teff") cells to activate their cancer cell killing effects. The result was a failure of first-gen anti-CD25 mAbs as cancer immunotherapies, since their favorable anti-Treg effects were negated by their unfavorable impact on Teff cells.

In a humanized mouse disease model, IBIO-101, when used as a monotherapy, effectively demonstrated its mechanism of action by significantly enhancing the Treg/Teff ratio, resulting in the suppression of tumor growth. When paired with an anti-PD-1 checkpoint inhibitor in the same model, the combined treatment of IBIO-101 and anti-PD-1 exhibited superior tumor inhibition compared to either anti-PD-1 or IBIO-101 used independently.

We continue to advance our IL-2 sparing anti-CD25 antibody, IBIO-101, and intend moving the program from IND-enabling stage to an IND filing during the calendar year 2025, subject to positive competitor data and funding availability.

TROP-2 x CD3 Bispecific

We have identified highly potent, fully human TROP-2 (Trophoblast Cell Surface Antigen 2) monoclonal antibodies, which have been formatted into bispecific TROP-2 x CD3 molecules using our T-cell engager antibody panel, EngageTx. TROP-2 is highly expressed in multiple solid tumors, including breast, lung, colorectal, and pancreatic cancers and is closely linked to metastasis and tumor growth. TROP-2 antibody drug conjugates have been developed to deliver toxic payloads to these cancer cells but could risk harming healthy cells and cause adverse effects. Our bispecific approach has the potential to increase the therapeutic window, while promoting a robust and long-lasting anti-tumor response. Combining the bispecific TROP-2 approach with immunotherapies like checkpoint inhibitors can potentially lead to improved clinical outcomes.

Using EngageTx, our lead TROP-2 x CD3 bispecific antibody was engineered to potently kill tumor cells while limiting the release of cytokines, like Interferon Gamma ("IFNg"), Interleukin 2 (IL-2) and Tumor Necrosis Factor Alpha ("TNFa"), all of which have the potential to cause cytokine release syndrome. When compared to a bispecific molecule engineered with our TROP-2 binding arm and a first generation CD3 engager, SP34, our lead TROP-2 x CD3 bispecific antibody showed a markedly reduced cytokine release profile, potentially indicating a decreased risk for cytokine release syndrome.

When tested in a humanized mouse model of squamous cell carcinoma, our lead TROP-2 x CD3 bi-specific antibody demonstrated a significant 36 percent reduction in tumor size within just 14 days after tumor implantation, and after only a single dose.

MUC16

MUC16 is a well-known cancer target often overexpressed in several types of solid tumors, including ovarian, lung, and pancreatic cancers. Specifically, MUC16 is a large extracellular protein expressed on more than 80% of ovarian tumors. Tumor cells can evade immune attack by shedding or glycosylating MUC16, making it difficult for traditional antibody therapies to effectively target and destroy the cancer cells.

Using our patented epitope steering AI platform, our innovative approach to this challenge allows our new mAbs to bind to a specific region of MUC16 that is not shed or glycosylated, circumventing both tumor evasion mechanisms and potentially providing a powerful tool in the fight against cancer. During its immunization and screening campaign, we identified several hits that specifically bound to the non-shed region of MUC16 while no binding to the shed fragment of MUC16 was observed. During pre-clinical studies, our MUC16 molecule has demonstrated binding to MUC16 on OVCAR-3 ovarian cancer cells. After engineering the leading MUC16 molecule with a fully human framework, the MUC16 molecule retained potent binding to the engineered epitope and maintained binding to human OVCAR-3 ovarian cancer cells. We have utilized our EngageTX platform to engineer MUC x CD3 bispecific antibodies and have further optimized the molecules to be double-masked on the MUC16 and the CD3 binding arms of the antibody.

EGFRvIII

EGFRvIII is a specific variant of the EGFR protein, unique to tumor cells. Unlike the more common EGFR, EGFRvIII is not found in healthy cells, making it an attractive target for therapeutic interventions. This variant is most prominently associated with glioblastoma, a type of brain cancer and head and neck cancer but can also be present in certain cases of breast, lung, and ovarian cancers, among others. In our pursuit of innovative treatments, we are exploring antibody therapeutics that specifically target EGFRvIII, aiming to address these cancer types without affecting healthy cells.

Leveraging our patented AI-enabled epitope steering engine, we've specifically directed antibodies to target a unique epitope found exclusively on EGFRvIII, and not on the wildtype receptor, EGFR. Through this precision approach, we have designed tumor-specific molecules aimed at selectively targeting cancer cells while preserving healthy ones, potentially offering patients a more focused and safer therapeutic solution.

Our hit molecules have demonstrated strong binding to the tumor-specific EGFRvIII protein without targeting the wildtype EGFR. Additionally, these molecules have effectively eliminated tumor cells, while sparing healthy ones, in in vitro cell killing tests. Our lead anti-EGFRvIII antibody was specially engineered to enhance its ability to attack cancer cells and has proven effective in a mouse model for head and neck cancer. In preclinical studies, our anti-EGFRvIII antibody demonstrated a 43 percent reduction in tumor growth compared to untreated animals.

CCR8

GPCRs are one of the most successful therapeutic target classes, with approximately one-third of all approved drugs targeting these proteins. Compared to small molecule-based GPCR drugs, antibody-based GPCR therapeutics potentially offer several potential advantages, including superior selectivity, extended mechanisms of action, and longer half-life. However, GPCRs are intricate, multi-membrane spanning receptors, making clinically relevant regions difficult to identify and target.

The chemokine receptor CCR8 is a GPCR which is predominantly expressed on Tregs, which play a role in suppressing immune responses. In the context of cancer, Tregs can inhibit the body's natural immune response against tumor cells, promoting cancer progression. Anti-CCR8 antibodies are being explored as a therapeutic strategy to deplete these Tregs in the tumor environment. By targeting and reducing Tregs using anti-CCR8 antibodies, the hope is to enhance the body's immune response against cancer cells, offering a promising avenue for cancer treatment.

Aiming directly at CCR8 is believed to be a safer approach because it focuses on specific suppressive Treg cells in the tumor environment without affecting other immune cells and functions. It is important to make sure antibodies are fine-tuned to CCR8 and don't mistakenly target a similar receptor, CCR4. This is because CCR4 is found in many immune cells, and accidentally targeting it could potentially lead to unwanted side effects.

Using our unique AI-driven technology, we have successfully identified molecules targeting CCR8, addressing some of the hurdles often faced when creating therapies that target GPCR with antibodies. Our specialized anti-CCR8 antibody has shown strong attachment to cells expressing CCR8 and effectively disrupted the CCR8 signaling process, resulting in the efficient elimination of Tregs derived from primary human immune cells. Notably, our CCR8-focused molecule did not attach to cells overproducing CCR4, highlighting its precision in targeting only CCR8.

Our CCR8 antibody has proven effective in a mouse model for colon cancer. Preclinical studies show our anti-CCR8 molecule inhibited tumor growth and achieved a 22 percent reduction in tumor size compared to its pre-treatment dimensions. We have specifically engineered the anti-CCR8 molecule as a high Antibody-Dependent Cellular Cytotoxicity (ADCC) antibody to enhance its ability to attack cancer cells.

Obesity and Cardiometabolic Diseases

Anti-Myostatin Antibody

Myostatin, also known as growth differentiation factor 8 (GDF8), is a transforming growth factor-β (TGF-β) family member that functions to limit skeletal muscle growth. Loss-of-function mutations in myostatin result in a pronounced increase in muscle mass in humans and various animals, while its overexpression leads to severe muscle atrophy. Myostatin also elicits effects on bone metabolism, as demonstrated by enhanced bone mineral density and bone regeneration in myostatin deficient mice.

Our aim is to use our AI-driven technology, specifically our StableHu AI technology and mammalian display to identify molecules that

are differentiated against competitor anti-myostatin antibodies. The discovery campaign will be designed to, among other goals, optimize potency, specificity, developability and half-life of novel molecules.

Anti-myostatin therapies are most validated for their role in enhancing muscle growth and differentiation in animals. However, they may also positively impact other tissues, such as bone and adipose tissue, either directly or indirectly. Such multifaceted benefits position anti-myostatin treatments as promising options for a spectrum of human conditions, including obesity, sarcopenia, and diabetes, among others.

Recent Developments

On January 16, 2024, we entered into a credit and security agreement (the "Credit and Security Agreement") with Loeb Term Solutions LLC, an Illinois limited liability company ("Lender"), for a term loan or equipment line of credit loan (the "Loan") pursuant to which we issued to Lender a term promissory note in the principal amount of $1,071,572 (the "2024 Term Note") bearing interest at the Prime Rate, as quoted in the Wall Street Journal plus 8.5% (the "Effective Rate"), for proceeds of $1,027,455.23 after payment of $42,862.88 to Lender as an origination fee, $1,172.89 for appraisal costs, and $75.00 for bank wire fees. The 2024 Term Note provides for monthly payments of principal and interest based on a four-year amortization period, with a balloon payment of all principal, accrued interest and any other amounts due on the two year anniversary of the 2024 Term Note. The Credit and Security Agreement granted to Lender a security interest in substantially all of our assets other than any intellectual property related to any of our filed patents (the "Loeb Collateral") to secure our obligations under the 2024 Term Note. The 2024 Term Note is subject to a prepayment fee of: 4% of the principal amount being prepaid if the 2024 Term Note is prepaid during the first 12 months from its issuance, and 3% of the principal amount being prepaid if the 2024 Term Note is prepaid during the second 12 months from its issuance date. See Note 13 – Debt to the notes to financial statements for additional information regarding the Loan and Credit and Security Agreement.

On February 25, 2024, we closed the sale to Otsuka Pharmaceutical Co., Ltd. ("Otsuka") pursuant to which we sold of our early-stage PD-1 Assets developed or held for development in consideration of $1,000,000. The PD-1 Purchase Agreement also provides for a potential contingent payment of $2,500,000 upon the achievement of specified developmental milestones and a second potential contingent payment of $50,000,000 upon the achievement of specified milestones following commercialization.

On March 26, 2024, we entered into the PIPE Purchase Agreement with several institutional investors and an accredited investor for the issuance and sale in a Private Placement of the following securities for gross proceeds of approximately $15.1 million: (i) 2,701,315 shares of our Common Stock, (ii) Pre-Funded Warrants to purchase up to 2,585,963 shares of our Common Stock at an exercise price of $0.0001 per share, and (iii) Series E Warrants to purchase up to 5,287,278 shares of our Common Stock at an exercise price of $2.64 per share. The Series E Warrants are exercisable at any time after the six-month anniversary of the Initial Exercise Date at an exercise price of $2.64 per share and have a term of exercise equal to five years from the date of issuance. The combined purchase price for one share of common stock and the accompanying Series E Warrant was $2.85 and the purchase price for one pre-funded warrant and the accompanying Series E Warrant was $2.849. Chardan served as the exclusive placement agent in connection with the Private Placement and was paid (i) a cash fee equal to 6.0% of the aggregate gross proceeds of the Private Placement (reduced to 4.0% with respect to certain investors), and (ii) up to $50,000 for legal fees and other out-of-pocket expenses. The Private Placement closed on April 1, 2024. The Company received net proceeds of approximately $14.1 million from the Private Placement, after deducting estimated offering expenses payable by the Company, including placement agent fees and expenses. No Seried E Warrants were exercised during the three and nine months ended March 31, 2024.

In connection with the Private Placement, we entered into a side letter agreement (the "Letter Agreement") with one investor, Lynx1 Capital Management LP (the "Investor"). Subject to the terms of the Letter Agreement, the Investor will be entitled to nominate one individual to serve as a director on our Board of Directors for one three-year term commencing with our 2024 Annual Meeting of Stockholders.

On March 28, 2024, iBio CDMO and Woodforest entered into the Ninth Amendment (the "Ninth Amendment") to the Credit Agreement, which amendment among other things, amends the Credit Agreement to: (i) set the maturity date of the term loan to the earlier of (a) May 15, 2024, or (b) the acceleration of maturity of the term loan in accordance with the Credit Agreement.

Liquidity and Capital Resources

The history of significant losses, the negative cash flow from operations, the upcoming maturity of the Term Loan, the limited cash resources on hand and the dependence by us on obtaining additional financing to fund our operations after the current cash resources are exhausted raises substantial doubt about our ability to continue as a going concern. Our management concluded that the current financing and business plans have not mitigated such substantial doubt about the Company's ability to continue as a going concern for at least 12 months from the date of filing this Quarterly Report for the quarterly period ended March 31, 2024. Our auditors also included

an explanatory paragraph in its report on our consolidated financial statements as of and for the year ended June 30, 2023 with respect to this uncertainty.

In an effort to mitigate the substantial doubt about continuing as a going concern and increase cash reserves, we raised funds through equity offerings or other financing alternatives including entering into an equipment line of credit, sold certain intellectual property rights, reduced our work force by approximately 60% (a reduction of approximately 69 positions) in November 2022, ceased operations of our 130,000 square foot cGMP facility located in Bryan, Texas (the "Facility") thereby reducing annual spend on expenses by approximately 58% and generating cash savings of approximately 46% when comparing the nine months ended March 31, 2024 to the nine months ended March 31, 2023. Although the Facility is listed for sale, we do not currently have a buyer for the Property for amounts near or above the outstanding amounts owed under the Term Loan. If a sale of the Facility is not consummated prior to the May 15, 2024 maturity date of the Term Loan for an amount near or above the outstanding amounts owed under the Term Loan or the maturity date is not further extended or the terms of the term Loan are not otherwise restructered, we will not have sufficient funds to repay the Term Loan on its maturity date and support our operations for at least 12 months from the date of filing this Quarterly Report for the quarterly period ended March 31, 2024. Based upon the current terms of the Term Loan and current interest received for the purchase of the Property, even if we able to sell the Facility, it is unlikely the proceeds from such sale will be sufficient to pay the entire remaining outstanding balance of the Term Loan, unless the Term Loan is restructed. The Term Loan has an outstanding balance of $12.7 million as of March 31, 2024. There can be no assurance that we will be able to sell the Facility or that we will be able to sell the Facility for an amount that will allow us to repay all outstanding amounts under the Term Loan and have sufficient remaining cash to support our operations through the first quarter of Fiscal 2025. (See Note 3 – Discontinued Operations for more information.)

During the first quarter ended on September 30, 2023, we completed at-the-market offerings and sold 170,989 shares of Common Stock for which we received approximately $1.7 million. We also sold 181,141 shares of Common Stock under our purchase agreement entered into on August 4, 2023 (the "Purchase Agreement"), with Lincoln Park Capital Fund, LLC ("Lincoln Park") and received approximately $1.2 million in proceeds. During the second quarter ended December 31, 2023, we sold an additional 21,457 shares to Lincoln Park under the Purchase Agreement for approximately $0.1 million. (See Note 16 – Stockholder's Equity for more information.) No shares remain available for sale under the Purchase Agreement at March 31, 2024.

On December 7, 2023, we closed the 2023 Offering pursuant to which we sold in the 2023 Offering, (i) 600,000 Shares of our Common Stock, (ii) 1,650,000 Pre-Funded Warrants exercisable for an aggregate of 1,650,000 shares of Common Stock, (iii) 2,250,000 Series C Common Warrants exercisable for an aggregate of 2,250,000 shares of Common Stock, and (iv) 2,250,000 Series D Common Warrants exercisable for an aggregate of 2,250,000 shares of Common Stock. A.G.P. acted as lead placement agent, and Brookline acted as the Placement Agents for the 2023 Offering. We received approximately $4.5 million in gross proceeds from the 2023 Offering, including the exercise of all Pre-Funded Warrants and prior to deducting placement agent fees and other estimated offering expenses payable by us and excluding the net proceeds, if any, from the exercise of the Common Warrants. (See Note 16 – Stockholders' Equity for more information.)

On April 1, 2024, we closed the Private Placement pursuant to which we sold, (i) 2,701,315 Shares of our Common Stock, (ii) Pre-Funded Warrants exercisable for an aggregate of 2,585,963 shares of our Common Stock, and (iii) Series E Warrants exercisable for an aggregate 5,287,278 shares of our Common Stock. We received net proceeds of approximately $14.1 million from the Private Placement, after deducting estimated offering expenses paid by us, including placement agent fees and expenses. (See Note 16 – Stockholders' Equity for more information.)

During the third quarter of Fiscal 2024, 414,000 of 2023 Pre-Funded Warrants, 1,131,500 Series C Common Warrants and 1,006,500 Series D Common Warrants were exercised for proceeds of $4,276,000. In April 2024, 48,000 Series C Common Warrants and 48,000 Series D Common Warrants were exercised for proceeds of $192,000. [Need to update if any other warrants are exercised before the filing date.]

Our cash, cash equivalents and restricted cash was approximately $6.4 million as of March 31, 2024, which is inclusive of restricted cash of $1.1 million, of which $0.9 million was deposited in accordance with the Fourth Amendment with Woodforest. Subsequent to March 31, 2024, we received Private Placement net proceeds of approximately $14.1 million. As of the filing of this Quarterly Report on Form 10-Q our cash balance of approximately $17.9 million, which is inclusive of $1.1 million of restricted cash, is not anticipated to be sufficient to support operations through the first quarter of Fiscal 2025, unless we sell the Facility for amounts near or above our Term Loan or the Term Loan is restructured. We are evaluating a possible transaction based on current interest in the Facility which would minimize cash outlay and allow us to have a cash runway for at least 12 months from the date of the filing of this Quarterly Report. However, there can be no assurance that we will be successful in implementing.

Results of Operations - Comparison of the three months ended March 31, 2024 and 2023

Revenue

Revenue from the CDMO operations is now included in discontinued operations and not broken out separately on the financial statements. Our ongoing business is primarily focused on i) development of our pipeline for which we do not expect revenue and ii) on our AI-driven discovery platform for which we do not expect substantial revenue in the next few years. No revenue was recognized for the three months ended March 31, 2024.

Research and Development Expenses ("R&D")

R&D expenses for the three months ended March 31, 2024 and 2023 were $0.9 million and $2.6 million, respectively, a reduction of approximately ($1.7) million. The decrease in R&D expenses is mainly due to the reduction in personnel costs, a decrease in spending for consultants or outside services due to certain tasks and assays being performed in-house which were previously outsourced and a decrease in spend on consumable supplies.

General and Administrative Expenses ("G&A")

G&A expenses for the three months ended March 31, 2024 and 2023 were approximately $2.7 million and $3.5 million, respectively, a decrease of ($0.8) million. The decrease in expenses is primarily attributable to a decrease in spending for consultants or outside services, the reduction in personnel costs, and a decrease in insurance premiums. The decreases were partially offset by an increase in legal fees.

Total Operating Expenses

Total operating expenses, consisting primarily of R&D and G&A expenses, for the three months ended March 31, 2024 were approximately $3.6 million, compared to approximately $6.2 million in the same period of Fiscal year 2023.

Discontinued Operations

On November 2, 2022, we announced our plans to divest our contract development and manufacturing organization (iBio CDMO, LLC) in order to complete our transformation into an AI-driven precision antibody discovery and development company. In conjunction with the divestment, we completed a workforce reduction of approximately 60% and discontinued CDMO operations. CDMO operations remain treated as a discontinued operation on our financial statements. Losses for Discontinued Operations for the three months ended March 31, 2024 were approximately ($0.5) million which consisted of interest related to the Term Note on the Facility ($0.3) million and costs to maintain the Facility ($0.2) million. Losses for Discontinued Operations for the three months ended March 31, 2023 were approximately ($1.0) million which consisted mainly of personnel related expenses of ($1.5) million, Facility related costs of ($0.3) million and ($0.2) million of interest related to the Term Note on the Facility offset by $0.2 milion of net revenues and $0.8 million in gains from the sales of fixed assets.

Net Loss from Continuing Operations

Net loss from continuing operations for the three months ended March 31, 2024 was ($2.6) million, or ($0.71) per share. Net loss from continuing operations for the three months ended March 31, 2023 was approximately ($6.3) million, or ($9.53) per share.

Results of Operations - Comparison of the nine months ended March 31, 2024 and 2023

Revenue

Revenue from the CDMO operations is now included in discontinued operations and not broken out separately on the financial statements. Revenue was otherwise immaterial. Our ongoing business is primarily focused on i) development of our pipeline for which we do not expect revenue in the next few years and ii) on our AI-driven discovery platform for which we do not expect substantial revenue in the next few years. Revenue for the nine months ended March 31, 2024 was related to a research licensing agreement utilizing our AI-driven discovery platform.

Research and Development Expenses ("R&D")

Research and development expenses for the nine months ended March 31, 2024 and 2023 were $4.0 million and $8.0 million, respectively, a decrease of approximately $4.0 million. The decrease in R&D expenses is mainly due to a decrease in spending for

consultants or outside services since certain tasks and assays being performed in-house which were previously outsourced, a decrease in spend on consumable supplies and the reduction in personnel costs.

General and Administrative Expenses ("G&A")

General and administrative expenses for the nine months ended March 31, 2024 and 2023 were approximately $9.2 million and $16.4 million, respectively, a decrease of $7.2 million. The decrease is primarily attributable to the reduction in personnel costs, a decrease in spending for consultants or outside services, a decrease in insurance premiums, and an intangible impairment recorded in the second quarter of Fiscal 2023. The decrease in spend was partially offset by an increase in legal fees.

Total Operating Expenses

Total operating expenses, consisting primarily of R&D and G&A expenses, for the nine months ended March 31, 2024, were approximately $13.3 million, compared to approximately $24.4 million in the same period of Fiscal year 2023.

Discontinued Operations

On November 2, 2022, we announced our plans to divest our contract development and manufacturing organization (iBio CDMO, LLC) in order to complete our transformation into an AI-driven precision antibody discovery and development company. In conjunction with the divestment, we completed a workforce reduction of approximately 60% and discontinued CDMO operations. CDMO operations are now treated as a discontinued operation on our financial statements. Losses for Discontinued Operations for the nine months ended March 31, 2024 were approximately ($4.9) million and consisted of an impairment of fixed assets ($3.1) million, interest related to the Term Note on the Facility ($0.9) million, and costs related to maintaining the Facility of ($0.9). Losses for Discontinued Operations for the nine months ended March 31, 2023 were approximately ($34.6) million and consisted of an impairment of fixed assets ($17.6) million, personnel costs including severance of ($7.5) million, costs related to maintaining the Facility of ($5.0) million, consumables and inventory write-down of ($4.9) million, interest related to the Term Note on the Facility approximately ($0.6) million offset by $0.3 milion of net revenues and $0.8 million in gains from the sales of fixed assets..

Net Loss from Continuing Operations

Net loss from continuing operations for the nine months ended March 31, 2024, was ($12.2) million, or ($5.43) per share. Net loss from continuing operations for the nine months ended March 31, 2023, was approximately ($24.4) million or ($46.00) per share.

Uses of Cash and Funding Requirements

Net Cash Used in Operating Activities

Net cash used in operating activities was approximately ($13.7) million for the nine months ended March 31, 2024. The use of cash was primarily attributable to funding our net loss for the period.

Net Cash Provided by Investing Activities

Net cash provided by investing activities of approximately $1.1 million for the nine months ended March 31, 2024 was mainly attributable to sale of intangible assets.

Net Cash Provided by Financing Activities

Net cash provided by financing activities during the nine months ended March 31, 2024, was approximately $11.5 million and was mainly attributable to the proceeds from the sale of securities and proceeds from the term promissory note (see Note 13 – Debt for further details), offset by payments towards debt, including the term note made to Woodforest (see Note 13 – Debt for further details).

Funding Requirements

We have incurred significant losses and negative cash flows from operations since our spin-off from Integrated BioPharma in August 2008. As of March 31, 2024, our accumulated deficit was approximately ($306.1) million and we used approximately ($13.7) million of cash for operating activities during the nine months ended March 31, 2024.

We plan to fund our future business operations using cash on hand, through proceeds realized in connection with the commercialization of our technologies, through proceeds from the possible sale of the CDMO entity or the Facility, through potential proceeds from the sale or out-licensing of assets, and through proceeds from the sale of additional equity or other securities. However, there can be no assurance that we will be successful in implementing these plans, many of which will take several years before we will realize proceeds. If we should default on the Credit Agreement and Woodforest does not waive the default, and if Woodforest makes a demand for the acceleration of all payments due to this default, it could result in all obligations that are guaranteed being due and payable immediately without further notice. If the Term Loan matures and is not extended or the Term Loan payment is not otherwise restructured and we do not at the time of maturity date receive proceeds from the sale of the Facility that will allow for the full outstanding Term Loan balance to be repaid, it could result in us being required to pay any shortfall. In such event we will need to raise capital again in the next few months and we cannot be certain funding will be available to us on favorable terms or available at all. If we are unable to raise funds when required or on favorable terms, we may have to: a) significantly delay, scale back, or discontinue the product application and/or commercialization of our proprietary technologies or restructure our Company including a further work force reduction; b) seek collaborators for our technology and product candidates on terms that are less favorable than might otherwise be available; c) relinquish or otherwise dispose of rights to technologies, product candidates, or products that we would otherwise seek to develop or commercialize. If we can satisfy the Term Loan with the proceeds of a sale of the Facility without cash outlay, we would have a cash runway of greater than twelve months from the filing of this Quarterly Report.

See Liquidity and Capital Resources above for further information.

Off-Balance Sheet Arrangements

As part of our ongoing business, we do not participate in transactions that generate relationships with unconsolidated entities or financial partnerships, such as entities often referred to as structured finance or special purpose entities ("SPE"s), which would have been established for the purpose of facilitating off-balance sheet arrangements or other contractually limited purposes. As of March 31, 2024, we were not involved in any SPE transactions.

Critical Accounting Estimates

Our condensed consolidated financial statements are presented in accordance with U.S. GAAP, and all applicable U.S. GAAP accounting standards effective as of March 31, 2024, have been taken into consideration in preparing the condensed consolidated financial statements. The preparation of condensed consolidated financial statements requires estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, expenses and related disclosures. Some of those estimates are subjective and complex, and, consequently, actual results could differ from those estimates. We base our estimates, to the extent possible, on historical experience. Historical information is modified as appropriate based on current business factors and various assumptions that we believe are necessary to form a basis for making judgments about the carrying value of assets and liabilities. We evaluate our estimates on an ongoing basis and make changes when necessary. Actual results could differ from our estimates.

Critical accounting estimates are those estimates made in accordance with U.S. GAAP that involve a significant level of estimation uncertainty and have had or are reasonably likely to have a material impact on our financial condition or results of operations. The following accounting estimate had a material impact on our results of operations for the three and nine months ended March 31, 2024.

Impairment of Fixed Assets

We monitor fixed assets for impairment indicators throughout the year. When necessary, charges for impairments of long-lived assets are recorded for the amount by which the fair value is less than the carrying value of these assets. Changes in our business strategy or adverse changes in market conditions could impact impairment analyses and require the recognition of an impairment charge. Although we base our estimates on historical experience and various other assumptions that are believed to be reasonable under the circumstances, actual results could differ from these estimates.

On November 3, 2022, we announced we are seeking to divest our contract development and manufacturing organization (iBio CDMO) in order to complete our transformation into an antibody discovery and development company. Through the process of seeking to divest its contract development and manufacturing organization, we continue to market for sale the Facility. The decision to divest triggered a quantitative impairment analysis at the end of the second quarter of Fiscal 2023 of our CDMO fixed assets, including the building in Bryan, Texas totaling $22.65 million and machinery and equipment totaling $13.4 million.

We utilized a market approach in the second quarter of Fiscal 2023, using independent third-party appraisals, including comparable assets, in addition to bids received from prospective buyers, to estimate the fair value of the Facility, the machinery and equipment. We recorded an impairment charge of $6.3 million for the Facility and $11.3 million for the machinery and equipment in the quarter ended December 31, 2022. The key assumption in the valuation analysis was the expected sale price of $21.1 million for the Facility and the

associated machinery and equipment less approximate costs to sell of $2.7 million. In the first quarter of Fiscal 2024, we entered into an agreement for the sale of the Facility for $17.25 million, and an additional impairment of $0.3 million was recorded as of June 30, 2023 to reflect the agreed upon sales price of $17.25 million less estimated costs to sell. The CDMO Equipment was sold during Fiscal 2023.

On November 7, 2023, we received written notice terminating the agreement for the sale of the Property. Upon receiving the termination notice, we reassessed the CDMO fixed assets for impairment which included obtaining appraisal values as of November 9, 2023. We utilized a market approach, using an independent third-party appraisal, including comparable assets, in addition to bids received from prospective buyers, to estimate the fair value of the Facility and concluded that fair value of the assets approximated their carrying value and no further impairment was required at that time.

During the second quarter of Fiscal 2024, we made the decision to auction the Facility. We utilized a market approach, using an independent third-party appraisal, including comparable assets, to estimate the fair value of the Facility. An additional $3.1 million fixed asset impairment was recorded the second quarter of Fiscal 2024 in discontinued operations to write down the carrying value of the Facility to its fair value. The key assumption in the valuation analysis is the expected sale price of $13.8 million for the Facility less approximate costs to sell of $0.7 million.

During the third quarter of Fiscal 2024, we utilized a market approach, using an independent third-party appraisal, including comparable assets, in addition we considered to previous bids from prospective buyers and the nearing maturity date of the term note and concluded that fair value of the assets approximated their carrying value and no further impairment was required. We may have to record a further, potentially material, impairment to the fair value of the Facility if we do not realize a sale transaction for the expected sales price.

Impairment of Indefinite-Lived Intangible Assets

For indefinite life intangible assets, we perform an impairment test annually and whenever events or changes in circumstances indicate the carrying value of an asset may not be recoverable.

Evaluating for impairment requires judgment, including the estimation of future cash flows, future growth rates and profitability and the expected life over which cash flows will occur. Changes in our business strategy or adverse changes in market conditions could impact impairment analyses and require the recognition of an impairment charge. Although we base our estimates on historical experience and various other assumptions that are believed to be reasonable under the circumstances, actual results could differ from these estimates.

We tested for impairment of the IBIO-101 therapeutic technology (or “IP”), classified as an indefinite-lived intangible asset, which had a carrying amount of $5 million at March 31, 2024. The key impairment trigger was a delay in the business plan with respect to IBIO-101 which prompted us to update our future cash flow model. We engaged a third party to perform valuation assistance with estimating the fair value of IBIO-101 and preparing a market capitalization reconciliation. The Multi-Period Excess Earnings Method (“MPEEM”) under the income approach was utilized to value the indefinite-lived asset. The MPEEM determines the value of a specified asset by calculating the present value of future earnings attributed to the asset. Since IBIO-101 is currently in its pre-clinical development phase, a probability of success was applied to the cash flows to account for the probability of reaching each step of development. The MPEEM requires that charges for the use of other contributory assets be subtracted under the theory that the owner of the subject asset does not own the other contributory assets and would have to rent/lease them in order to earn the cash flows related to the subject asset.

The resulting probability of success adjusted “excess earnings” were discounted to the present value using a 14.0% discount rate, which was based on iBio’s weighted-average cost of capital. The sum of the discounted excess earnings and the present value of the tax benefit related to amortization of the IBIO-101 indefinite-lived intangible indicated that the fair value was $5.9 million as of the March 31, 2024, valuation date. Given that the carrying amount of the asset was $5.0 million at March 31, 2024, it was concluded that no impairment existed.

We will continue to monitor the value of the IP, since we believe it is at risk for impairment. The primary impairment indicators that may arise in the near future are (1) any sustained decline in our common stock market price and (2) FDA decisions on similar competing technologies that are applying for Phase 1 approval.

We continue to operate in a highly competitive environment, rising interest rates (and cost of capital) and experience liquidity challenges. Accordingly, we may have to adjust our cash flow projections and valuation assumptions in the near future to account for market trends and any changes to our research and development plans. Any such future adjustments may lead to material future impairments in the IP and other related assets.

Our remaining critical accounting estimates remain consistent with the information disclosed in the same section in our last annual report on Form 10-K for the year ended June 30, 2023.

In addition to the aforementioned critical accounting estimates, the following accounting policies and estimates have been highlighted as significant because changes to certain judgments and assumptions inherent in these policies could affect our consolidated financial statements:

- revenue recognition;
- legal and contractual contingencies;
- research and development expenses; and
- share-based compensation expenses.

We base our estimates, to the extent possible, on historical experience. Historical information is modified as appropriate based on current business factors and various assumptions that we believe are necessary to form a basis for making judgments about the carrying value of assets and liabilities. We evaluate our estimates on an ongoing basis and make changes when necessary. Actual results could differ from our estimates. See Note 4 – Summary of Significant Accounting Policies - for a complete discussion of our significant accounting policies and estimates.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

As a smaller reporting company, we are not required to provide the information required by this Item 3.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Our management, under the direction of our Chief Executive Officer (our Principal Executive Officer) and Chief Financial Officer (our Principal Financial Officer) have evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15I and 15d-15(e) under the Exchange Act, as amended, as of March 31, 2024. The term "disclosure controls and procedures," as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to our management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Our disclosure controls and procedures are also designed to ensure that such information is accumulated and communicated to management to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

Based on our evaluation, our Principal Executive Officer and Principal Financial Officer concluded that our disclosure controls and procedures were effective as of March 31, 2024.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting, as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act, during the quarter ended March 31, 2024, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

We are not currently subject to any material legal proceedings. From time to time, we may be subject to various legal proceedings and claims that arise in the ordinary course of its business activities. Litigation, regardless of the outcome, could have an adverse impact on us because of defense and settlement costs, diversion of management resources and other factors.

Item 1A. Risk Factors

Our business is subject to risks and events that, if they occur, could adversely affect our financial condition and results of operations and the trading price of our securities. The following information updates, and should be read in conjunction with, the information disclosed in Part I, Item 1A, "Risk Factors," contained in the Annual Report. Except as described below, our risk factors as of the date of this Report have not changed materially from those described in "Part I, Item 1A. Risk Factors" of our Annual Report.

We are reviewing potential options to extend our cash runway. This review could impact our future operations and financial position.

We are currently evaluating a number of potential options to expand our cash runway, the implementation of which will impact our liquidity. In an effort to improve liquidity and our runway, we have placed our CDMO business and Facility on the market for sale, reduced our work force and ceased operations of our CDMO, thereby reducing annual spend on expenses by approximately 58% and generating cash savings of approximately 46% when comparing the nine months ended March 31, 2024 to the nine moths ended March 31, 2023. Potential options being considered to further increase liquidity include focusing product development on a select number of product candidates, the sale or out-licensing of certain product candidates, raising money from the capital markets, grant revenue or collaborations, or a combination thereof. However, we anticipate that our expenses will increase as we continue our research and development activities and conduct clinical trials.

Despite the proceeds from the Private Placement, our cash, cash equivalents and restricted cash of $17.9 million as of May 13, 2024, is not anticipated to be sufficient to support our operations beyond the first quarter of Fiscal 2025 unless we sell the Facility for amounts near or above the term note outstanding payable balance or the Term Loan is restructured, we reduce our burn rate further, sublease all or a portion of the San Diego Lease, or raise additional capital. Regardless of whether we are able to reduce our burn rate or sell or out-license certain assets or parts of the business, we will need to raise additional capital in order to fully execute our near and long-term business plans.

There can be no assurance that we would be able to sell the Facility or that if we are able to do so that we do so on favorable terms or that we will be able to do so before the maturity date of the Term Loan or that the exploration of potential options will result in any agreements or transactions, or that, if completed, any agreements or transactions will be successful or on attractive terms. If we determine to change our business strategy, our future business, prospects, financial position and operating results could be significantly different than those in historical periods or projected by our management. Because of the significant uncertainty regarding our future plans, we are not able to accurately predict the impact of a potential change in our business strategy and future funding requirements.

Our historical operating results indicate substantial doubt exists related to our ability to operate as a going concern.

We have incurred net losses and used significant cash in operating activities since inception, and we expect to continue to generate operating losses for the foreseeable future. As of March 31, 2024, we have an accumulated deficit of $306.1 million. As a result of our continued losses, our cash resources have not been sufficient to sustain our operations, and we have continued to depend on financing transactions to generate sufficient cash to stay in operation. During the nine months ended March 31, 2024, we used net cash in operating activities of $13.7 and we are currently incurring negative operating cash flows of approximately $1.5 million per month.

We held cash, cash equivalents and restricted cash of $17.9 million as of May 13, 2024. Based on current trends and activities, there is significant doubt that we can continue as a going concern beyond the first quarter of Fiscal 2025 if we do not sell the Facility for amounts near or above its Term Loan or the Term Loan is restructured. We are currently evaluating a number of potential options to expand our cash runway, the implementation of which will impact our liquidity. Potential options being considered to increase liquidity include focusing product development on a select number of product candidates, the possible sale of the Facility, the sale or out-licensing of certain product candidates or parts of the business, raising money from capital markets, grant revenue or collaborations, or a combination thereof. Regardless of whether we are able to reduce our burn rate or sell or out-license certain assets or parts of the business, we will need to raise additional capital in order to fully execute our longer-term business plan and based upon the current terms of the Term Loan, if the Facility is not sold at a price that allows for full or a significant portion of the outstanding Term Loan balance to be repaid, we will need to raise additional capital in order to fully execute our short-term business plan. However, there can be no assurance that we will be successful in implementing any of the options that we are evaluating.

Our condensed consolidated financial statements as of and for the year ended March 31, 2024 have been prepared under the assumption that we will continue as a going concern for the next 12 months. Our management concluded that our recurring losses from operations, the upcoming maturity of the Term Loan, and the fact that we have not generated significant revenue or positive cash flows from operations raise substantial doubt about our ability to continue as a going concern for the next 12 months. The Term Loan with Woodforest, with an outstanding principal balance of which is $12.7 million as of May 13, 2024, matures on May 15, 2024 and unless the Property is sold prior to the Term Loan maturity date at a price near or above the outstanding payable to Woodforest, or the Term Loan is favorably restructured, we will not have sufficient resources to support operations through the first quarter of Fiscal. There can

be no assurance that we will be able to sell the Facility or that we will be able to sell the Facility for an amount near or above the outstanding amounts under the Term Loan and not create a deficiency claim. We are evaluating a potential transaction based on current interest in the Facility which would minimize cash outlay and allow us to have a cash runway for at least 12 months from the date of the filing of this Quarterly Report. However, there can be no assurance that the Company will be successful in implementing. The report of our auditors on our financial statements as of and for the year ended June 30, 2023 also included an explanatory paragraph with respect to this uncertainty. If we continue to experience operating losses, and we are not able to generate additional liquidity through a capital raise or other cash infusion, we might need to secure additional sources of funds, which may or may not be available to us. If we are unable to raise additional capital in sufficient amounts or on terms acceptable to us, we may have to further scale back or discontinue the development of our product candidates or other research and development initiatives, or restructure our Company including a further work force reduction.

Unless and until we are able to raise sufficient capital, for which there can be no assurance, our lack of cash will continue to constrain our business and subject us to significant risks, including the following. First, we may be unable to make the necessary investment in personnel, equipment or other resources to effectively pursue our business plan. Second, our suppliers, vendors and service providers could slow down or stop supplying components or services or could stop extending credit in connection with commercial transactions, which could curtail our business. Third, we may be subject to lawsuits from claimants relating to past due balances, if we cannot work out or continue to renegotiate payment terms. There is no assurance that we will be able to successfully defend against such claims, and our creditors or claimants may seek to seize our assets or assert other judicial remedies. Ultimately, any or all of the above factors could lead to a possible reduction or suspension of our operations, ultimately forcing us to declare bankruptcy, reorganize or go out of business. Should this occur, the value of any investment in our securities could be adversely affected, and an investor would likely lose all or a significant portion of their investment.

We have incurred significant losses since our inception. We expect to incur losses during our next Fiscal year, we do not anticipate generating significant revenue for several years and may never achieve or maintain profitability.

Since our 2008 spinoff from Integrated BioPharma, we have incurred operating losses and negative cash flows from operations. Our comprehensive net loss was approximately ($3.2) million and ($7.3) million for the three months ended March 31, 2024 and 2023, respectively. Our comprehensive net loss was approximately ($17.1) million and ($58.8) million for the nine months ended March 31, 2024 and 2023, respectively. Our comprehensive net loss was approximately ($64.8) million and ($50.5) million for the years ended June 30, 2023 and 2022, respectively. As of March 31, 2024, we had an accumulated deficit of approximately ($306.1) million.

To date, we have financed our operations primarily through the sale of common stock, preferred stock and warrants. We are devoting substantially all of our efforts to research and development, including the development and validation of our technologies, and the development of a proprietary therapeutic products against oncology. We have not completed development of or commercialized any vaccine or therapeutic product candidates. We expect to continue to incur significant expenses and may incur operating losses for at least the next year. We anticipate that our expenses and losses will increase substantially if we:

- initiate clinical trials of our product candidates;
- continue the research and development of our product candidates;
- seek to discover or license in additional candidates; and
- add operational, financial and management information systems and personnel, including personnel to support our product development and manufacturing efforts.

Our future profitability and cash flow in large part depends on our research and development programs, including our AI platform, and our ability to successfully develop, partner or commercialize our product candidates and to a lesser extent, which is not anticipated for several years. Our cash position is expected to limit the number of product candidates that we seek to develop. This will require us, alone or with our licensees and collaborators, to be successful in a range of challenging activities, including completing preclinical testing and clinical trials of our product candidates, obtaining regulatory approval for these product candidates and manufacturing, marketing and selling those products for which regulatory approval is obtained or establishing collaborations with parties willing and able to provide necessary capital or other value. We may never succeed in these activities. We may never generate revenues that are significant or large enough to achieve profitability.

All of our existing product candidates are in various stages of development and will require extensive additional clinical evaluation, regulatory review and approval, significant marketing efforts and substantial investment before they could provide us with any revenue. As a result, even if we successfully develop, achieve regulatory approval and commercialize our products, we may be unable to generate revenue for many years, if at all. We do not anticipate that we will generate revenue from product sales for at least several years, if at all. If we are unable to generate revenue from product sales, we will not become profitable, and we may be unable to continue our operations.

Even if we do achieve profitability, we may not be able to sustain or increase profitability on a quarterly or annual basis. Our failure to become and remain profitable would diminish the value of our company and could impair our ability to raise capital, expand our business, diversify our product offerings or continue our operations. A decline in the value of our company could also cause you to lose all or part of your investment.

Changes in general economic conditions, geopolitical conditions, domestic and foreign trade policies, monetary policies and other factors beyond our control may adversely impact our business and operating results.

The uncertain financial markets, disruptions in supply chains, mobility restraints, and changing priorities as well as volatile asset values could impact our business in the future. We and our third-party contract manufacturers, contract research organizations, and any clinical sites that may conduct our clinical trials in the future may also face disruptions in procuring items that are essential to our research and development activities, including, for example, medical and laboratory supplies used in our clinical trials or preclinical studies, in each case, that are sourced from abroad or for which there are shortages because of ongoing efforts to address the outbreak. These minor disruptions have had an immaterial effect on business, which we have been able to address with minimal impact to our business operations to date. Further, although we have not experienced any material adverse effects on our business due to increasing inflation, it has raised operating costs for many businesses and, in the future, could impact demand or pricing manufacturing of our drug candidates or services providers, foreign exchange rates or employee wages. We are actively monitoring the effects these disruptions and increasing inflation could have on our operations.

Our operations and performance depend on global, regional and U.S. economic and geopolitical conditions. In addition, the global macroeconomic environment could be negatively affected by, among other things, pandemics or epidemics, instability in global economic markets, increased U.S. trade tariffs and trade disputes with other countries, instability in the global credit markets, supply chain weaknesses, instability in the geopolitical environment as a result of the withdrawal of the United Kingdom from the European Union, the Russian invasion of Ukraine, the war in the Middle East and other political tensions, and foreign governmental debt concerns. Such challenges have caused, and may continue to cause, uncertainty and instability in local economies and in global financial markets.

The above factors, including a number of other economic and geopolitical factors both in the U.S. and abroad, could ultimately have material adverse effects on our business, financial condition, results of operations or cash flows, including the following:

- effects of significant changes in economic, monetary and fiscal policies in the U.S. and abroad including currency fluctuations, inflationary pressures and significant income tax changes;
- supply chain disruptions;
- a global or regional economic slowdown in any of our market segments;
- changes in government policies and regulations affecting the Company or its significant customers;
- industrial policies in various countries that favor domestic industries over multinationals or that restrict foreign companies altogether;
- new or stricter trade policies and tariffs enacted by countries, such as China, in response to changes in U.S. trade policies and tariffs;
- postponement of spending, in response to tighter credit, financial market volatility and other factors;
- rapid material escalation of the cost of regulatory compliance and litigation;
- difficulties protecting intellectual property;
- longer payment cycles;
- credit risks and other challenges in collecting accounts receivable; and
- the impact of each of the foregoing on outsourcing and procurement arrangements.

If the Property is not sold prior to the May 15, 2024 Term Loan maturity date, iBio CDMO will not have sufficient funding to pay the Term Loan with Woodforest for which we are a guarantor and support our operations through the first quarter of Fiscal 2025.

Although we have listed the Property for sale, we do not currently have a signed contract to sell the Property near or above the outstanding balance under the Term Loan. On November 7, 2023, we received written notice from Majestic Realty of its election to terminate the Purchase and Sale Agreement, dated as of September 15, 2023, between Majestic Realty and iBio CDMO LLC, pursuant to which iBio CDMO had agreed to sell to Majestic Realty the Property. There can be no assurance that we will complete a sale of the Property in a timely manner. If the Property is not sold prior to the May 15, 2024 maturity date of the Term Loan, we will not have sufficient funds to repay the Term Loan on its maturity date, the outstanding principal balance of which is $12.7 million as of March 31, 2024, and have sufficient funds to continue to support our operations through the first quarter of Fiscal 2025. In addition, if a sale of the Facility is not consummated at a price near or above the outstanding balance under the Term Loan based upon the current terms of the Term Loan, we will be required to pay the shortfall which could, depending upon such sale price, deplete our cash. Our failure to make such payments when due could result in our loss of the Facility. Any action to proceed against our assets would likely have a

serious disruptive effect on our business operations, especially if the Facility or our other assets were foreclosed upon or our guarantee were enforced.

Failure to sell the Facility could negatively impact our stock price and our future business and financial results.

If we do not sell the Facility for any reason, our ongoing business may be materially and adversely affected and we would be subject to a number of risks, including experiencing negative reactions from the financial markets, and negative impacts on the trading price of our common stock, which could affect our ability to secure sufficient financing in the future on attractive terms (or at all). In addition, we could be subject to litigation related to any failure to complete the sale. In addition, if a sale of the Facility is not consummated at a price at or above the outstanding balance under the Term Loan we do not expect to have sufficient funds to repay the Term Loan upon its maturity.

The failure to comply with the terms of the Credit Agreement, as amended, could result in a default under the terms of the Credit Agreement, as amended, and, if uncured, it could potentially result in action against our pledged assets.

There is no assurance that we will generate sufficient revenue or raise sufficient capital to be able to make the required principal payment under the Term Loan that iBio CDMO entered into with Woodforest and continue our operations as currently planned. The Term Loan with Woodforest is secured by (a) a leasehold deed of trust on our Facility, and (b) a first lien on all assets of iBio CDMO including the Facility. We have also guaranteed the payment of all iBio CDMO's obligations under the Credit Agreement. The Term Loan matures the earlier of May 15, 2024, or the acceleration of maturity of the Term Loan pursuant to the Credit Agreement. If we or iBio CDMO fail to comply with the terms of the Term Loan and/or the related agreements, including the affirmative and negative covenants contained therein, Woodforest National Bank could declare a default and if the default were to remain uncured, Woodforest National Bank would have the right to proceed against any or all of the collateral securing their Term Loan. Our failure to make such payments when due could result in our loss of the Facility. In addition, we have guaranteed the repayment of the Term Loan and could be responsible for such payment. Any action to proceed against our assets would likely have a serious disruptive effect on our business operations, especially if the Facility or our other assets were foreclosed upon.

The Credit Agreement, as amended, requires that we pay a significant amount of cash to the lender. Our ability to generate sufficient cash to make all required payments under the Credit Agreement, as amended, depends on many factors beyond our control.

Our ability to make payments on and to refinance the Term Loan, to fund planned capital expenditures and to maintain sufficient working capital depends on our ability to raise capital and generate cash in the future. This, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control. We cannot assure you that our business will generate sufficient cash flow from operations or from other sources in an amount sufficient to enable us to service our debt or to fund our other liquidity needs. To date, we have generated minimal revenue and have financed a significant portion our capital needs from sales of our equity and most recently the Term Loan. There can be no assurance that financing options will be available to us when needed to make payments under the Term Loan or if available, that they will be on favorable terms. If our cash flow and capital resources are insufficient to allow us to make payments due under the Term Loan, we may need to seek additional capital or restructure or refinance all or a portion of the Term Loan on or before the maturity thereof, any of which could have a material adverse effect on our business, financial condition or results of operations. Although we plan to explore potential longer-term financing options for our Facility, including, but not limited to, the possible sale of the Facility, we cannot assure you that we will be able to enter consummate the sale prior to the maturity date of the Term Loan or refinance the Term Loan on commercially reasonable terms or at all. If we are unable to generate sufficient cash flow to repay or refinance our debt on favorable terms, it could significantly adversely affect our financial condition. Our ability to restructure or refinance the Term Loan will depend on the condition of the capital markets and our financial condition. Any refinancing of the Term Loan could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. There can be no assurance that we will be able to obtain any financing when needed.

Covenant restrictions in the Credit Agreement, as amended, may limit our ability to operate our business.

The Credit Agreement contains, and our future indebtedness agreements may contain covenants that restrict our ability to finance future operations or capital needs or to engage in other business activities. The Credit Agreement, as amended, restricts our ability to:

- incur, assume or guarantee additional Debt (as defined in the Credit Agreement);
- repurchase capital stock;
- make other restricted payments including, without limitation, paying dividends and making investments;
- sell or otherwise dispose of assets.

As of the date of this filing, iBio is in compliance with this covenant in the Credit Agreement, as amended.

The exercise of the Series E Warrants to purchase up to 5,287,278 shares of our Common Stock will cause dilution to shareholders.

Our stockholders will experience substantial dilution from the issuance of shares of Common Stock upon exercise of the Series E Warrants.

To the extent that we raise additional capital through a public or private offering and sale of equity securities, the ownership interest of shareholders will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect rights as a stockholder. The sale of a substantial number of shares of our Common Stock to investors, or anticipation of such sales, could make it more difficult for us to sell equity or equity-related securities in the future at a time and at a price that we might otherwise wish to effect sales.

Item 5. Other Information

Rule 10b5-1 Trading Arrangement

During the three months ended March 31, 2024, no director or officer of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "nonRule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

Director Resignation and Director Appointment

On May 7, 2024, Dr. Linda Armstrong notified the Company of her decision to resign, effective May 31, 2024, as a director of the Company. Ms. Armstrong's resignation was not a result of any disagreement with the Company on any matter relating to its operations, policies or practices.

On May 9, 2024, the Company appointed Dr. Martin B. Brenner, the Company's Chief Executive Officer and Chief Scientific Officer, to fill the vacancy created by Ms. Armstrong's resignation, effective June 1, 2024.

Officer Severance Benefit Plan

On May 9, 2024, our Board adopted our Officer Severance Benefit Plan (the "Severance Benefit Plan") which provides severance benefits in connection with a "Qualifying Termination" for officers designated as eligible participants thereunder, which currently includes Dr. Brenner and Mr. Duran. A Qualifying Termination is defined as a resignation for Good Reason or an Involuntary Termination Without Cause (as such terms are defined in the Severance Benefit Plan). Pursuant to the Severance Benefit Plan, if the Company's Chief Executive Officer is a participant in the Severance Benefit Plan and is terminated in a Qualifying Termination then, upon execution of a general waiver and release, he or she will be entitled to (i) a cash payment paid in equal installments in the amount of 18 months of the then-effective base salary of such Chief Executive Officer if such Qualifying Termination is a Sale Event Related Termination (as such term is defined in the Severance Benefit Plan) or 12 months of the then-effective base salary if such Qualifying Termination is a Non-Sale Event Related Termination (as such term is defined in the Severance Benefit Plan) (ii) plus a lump sum equal to 150% of such person's target bonus percentage if such Qualifying Termination is a Sale Event Related Termination or 100% of such person's target bonus percentage pro- rated during the fiscal year of the Qualifying Termination if such Qualifying Termination is a Non-Sale Event Related Termination (iii) the full amount of his or her COBRA premiums for the period which the participant is paid severance and (iv) if the Qualifying Termination is a Sale Event Related Termination, the vesting and exercisability of all outstanding Time-Based Vesting Equity Awards and Performance-Based Vesting Equity Awards (as such terms are defined in the Severance Benefit Plan) that are held by such person on such date shall be accelerated in full as of the date of such Sale Event Related Termination and the vesting of any other equity awards granted to the participant by the Company, and any issuance of shares triggered by the vesting of such equity awards, shall be accelerated in full as of the date of such Sale Event Related Termination. For purposes of determining the number of shares that will vest with respect to any Performance-Based Vesting Equity Awards for which the performance period has not ended and that has multiple vesting levels depending upon the level of performance, vesting acceleration with respect to any ongoing performance period(s) shall occur with respect to the number of shares subject to the award as if the applicable performance criteria had been attained at a 100% level or, if greater, based on actual performance as of the Sale Event Related Termination. Pursuant to the Severance Benefit Plan, if an Executive Officer other than the Chief Executive Officer is a participant in the Severance Benefit Plan and is terminated in a Qualifying Termination then, upon execution of a general waiver and release, he or she will be entitled to (i) a cash payment paid in equal installments in the amount of 12 months of the then-effective base salary of such executive officer if such Qualifying Termination is a Sale Event Related Termination or 9 months of the then-effective base salary if such Qualifying Termination is a Non-Sale Event Related Termination (ii) plus a lump sum equal to 100% of such person's target bonus percentage if such Qualifying Termination is a Sale Event Related Termination or 100% of such person's target bonus percentage pro- rated during the fiscal year of the Qualifying Termination if such Qualifying Termination is a Non-Sale Event Related Termination (iii) the full amount of his COBRA premiums for the period which the participant is paid severance and (iv) if the Qualifying Termination is a Sale Event Related Termination, the vesting and exercisability of all outstanding Time-Based Vesting Equity Awards and Performance-Based Vesting

Equity Awards (as such terms are defined in the Severance Benefit Plan) that are held by such person on such date shall be accelerated in full as of the date of such Sale Event Related Termination and the vesting of any other equity awards granted to the participant by the Company, and any issuance of shares triggered by the vesting of such equity awards, shall be accelerated in full as of the date of such Sale Event Related Termination. For purposes of determining the number of shares that will vest with respect to any Performance-Based Vesting Equity Awards for which the performance period has not ended and that has multiple vesting levels depending upon the level of performance, vesting acceleration with respect to any ongoing performance period(s) shall occur with respect to the number of shares subject to the award as if the applicable performance criteria had been attained at a 100% level or, if greater, based on actual performance as of the Sale Event Related Termination.

The foregoing summary of the Severance Benefit Plan does not purport to be complete and is qualified in its entirety by reference to full text of the Severance Benefit Plan, a copy of which is as Exhibit 10.9 and incorporated herein by reference.

Item 6. Exhibits.

Exhibit No.	Description
3.1	Certificate of Incorporation of iBio, Inc., Certificate of Merger, Certificate of Ownership and Merger, Certificate of Amendment of the Certificate of Incorporation (incorporated herein by reference to Exhibit 3.1 to the Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on May 11, 2018 – File No. 001-35023)
3.2	Certificate of Amendment of the Certificate of Incorporation of iBio, Inc. (incorporated herein by reference to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on June 8, 2018 – File No. 001-35023)
3.3	Certificate of Designation, Preferences and Rights of the iBio CMO Preferred Tracking Stock of iBio, Inc. (incorporated herein by reference to Exhibit 3.1 to the Current Report on Form 8-K filed by the Company with the Securities and Exchange Commission on February 24, 2017 – Commission File No. 001-35023)
3.4	Certificate of Designation, Preferences and Rights of the Series A Convertible Preferred Stock of iBio, Inc. (incorporated herein by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on June 27, 2018 – Commission File No. 001-35023)
3.5	Certificate of Designation, Preferences and Rights of the Series B Convertible Preferred Stock of iBio, Inc. (incorporated herein by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on June 27, 2018 – Commission File No. 001-35023)
3.6	Certificate of Designation, Preferences and Rights of the Series C Convertible Preferred Stock of iBio, Inc. (incorporated herein by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on October 29, 2019 – Commission File No. 001-35023)
3.7	Second Amended and Restated Bylaws of iBio, Inc. (incorporated herein by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on February 1, 2022 – File No. 000-53125)
3.8	Certificate of Designation of Preferences, Rights and Limitations of Series 2022 Convertible Preferred Stock (incorporated herein by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on May 12, 2022 – Commission File No. 001-35023)
3.9	Certificate of Amendment of the Certificate of Incorporation if iBio, Inc. (incorporated herein by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on October 7, 2022 – File No. 001-35023)
3.10	Certificate of Amendment of the Certificate of Incorporation if iBio, Inc. (incorporated herein by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on November 28, 2023 – File No. 001-35023)
4.1	Form of Pre-Funded Warrants (incorporated herein by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on April 1, 2024- File No. 001-35023)
4.2	Form of Series E Common Warrants (incorporated herein by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on April 1, 2024- File No. 001-35023)
10.1	Credit and Security Agreement, dated January 16, 2024, by and between iBio, Inc. and Loeb Term Solutions LLC (incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on January 19, 2024 – File No. 001-35023)
10.2	Schedule to Credit and Security Agreement, dated January 16, 2024, by and between iBio, Inc. and Loeb Term Solutions LLC (incorporated herein by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on January 19, 2024 – File No. 001-35023)
10.3	Term Promissory Note, dated January 16, 2024, in the principal amount of $1,071,572 (incorporated herein by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on January 19, 2024 – File No. 001-35023)
10.4	Validity Guarantee, dated January 16, 2024 (incorporated herein by reference to Exhibit 10.4 to the Company's Current Report on Form 8 - K filed with the Securities and Exchange Commission on January 19, 2024 - File No. 001 - 35023)
10.5	Asset Purchase Agreement, dated February 25, 2024, by and between iBio, Inc. and Otsuka Pharmaceutical Co., Ltd. (incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on February 26, 2024 – File No. 001-35023
10.6	Form of Securities Purchase Agreement, dated March 26, 2024, by and between iBio, Inc. and the Purchaser signatory thereto* (incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on April 1, 2024 – File No. 001-35023)
10.7	Side Letter Agreement dated April 1, 2024 (incorporated herein by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on April 1, 2024 – File No. 001-35023)
10.8	Ninth Amendment to Credit Agreement dated March 28, 2024, between iBio CDMO LLC and Woodforest National Bank (incorporated herein by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on April 1, 2024 – File No. 001-35023)
10.9*	iBio, Inc. Officer Severance Benefit Plan, effective May 9, 2024
31.1*	Certification of Periodic Report by Principal Executive Officer Pursuant to Rule 13a-14 and 15d-14 of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of Periodic Report by Principal Financial Officer Pursuant to Rule 13a-14 and 15d-14 of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1*	Certification of Periodic Report by Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

32.2*	Certification of Periodic Report by Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	Inline XBRL Instance*
101.SCH	Inline XBRL Taxonomy Extension Schema*
101.CAL	Inline XBRL Taxonomy Extension Calculation*
101.DEF	Inline XBRL Taxonomy Extension Definition*
101.LAB	Inline XBRL Taxonomy Extension Labeled*
101.PRE	Inline XBRL Taxonomy Extension Presentation*
104	Cover page Interactive Data File (embedded within the Inline XBRL document)

* Filed herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

iBio, Inc.
(Registrant)

Date: May 13, 2024

/s/ Martin Brenner
Martin Brenner
Chief Executive Officer and Chief Scientific Officer
Principal Executive Officer

Date: May 13, 2024

/s/ Felipe Duran
Felipe Duran
Chief Financial Officer
Principal Financial Officer and Principal Accounting Officer

EXHIBIT 10.9

IBIO, INC.

OFFICER SEVERANCE BENEFIT PLAN

Section 1. INTRODUCTION.

This iBio, Inc. Officer Severance Benefit Plan (the "***Plan***") is hereby adopted effective as of May 9, 2024 (the "***Effective Date***"). The purpose of the Plan is to provide for the payment of severance benefits to certain eligible executive officers of iBio, Inc. (the ***"Company"***) and its Affiliates that have been designated by the Company on the attached Appendix A as eligible to participate in the Plan (each of the Company and any such Affiliate, a "***Participating Employer***" and collectively, the "***Participating Employers***") in the event such persons experience a Qualifying Termination and who meet the additional criteria set forth in Section 4 of the Plan (each an "***Eligible Officer***" and collectively "***Eligible Officers***"). This Plan supplements and does not supersede any other change in control related severance benefit plan, policy or practice maintained by the Company or any Affiliate of the Company for Eligible Officers. This Plan document also is the Summary Plan Description for the Plan.

Section 2. DEFINITIONS.

For purposes of this Plan, the following capitalized terms shall have the meanings set forth below:

(a) ***"Affiliate"*** means, at the time of determination, any "parent" or "subsidiary" of the Company as such terms are defined in Rule 405 promulgated under the Securities Act.

(b) **"*Base Salary*"** shall mean the Eligible Officer's base pay (excluding incentive pay, premium pay, commissions, overtime, bonuses and other forms of variable compensation), at the rate in effect during the last regularly scheduled payroll period immediately preceding the date of the Eligible Officer's Qualifying Termination but without giving effect to any reduction in base pay that would permit such Eligible Officer to voluntarily resign employment for Good Reason or any reduction in base pay which occurs following a Sale Event.

(c) **"*Board*"** means the Company's Board of Directors.

(d) "***Cause***" shall have the meaning ascribed to such term in any written employment or similar agreement between the employee and the Participating Employer defining such term, but in the absence of such agreement such term shall mean, with respect to an employee, the occurrence of any of the following events: (i) the employee's conviction of any felony or any crime involving fraud or dishonesty; (ii) the employee's participation in a fraud, act of dishonesty or other act of gross misconduct that adversely affects the Company; (iii) conduct by the employee that demonstrates the employee's gross unfitness to serve under circumstances that materially and adversely affect the Company; (iv) the employee's violation of any statutory or fiduciary duty, or duty of loyalty, owed to the Company; (v) the employee's breach of any material term of any contract between such employee and the Company; and/or (vi) the employee's serious violation of a material Company policy. The determination that a termination of employment of an employee is either for Cause or without Cause shall be made by the Plan Administrator, in its sole discretion.

(e) "***COBRA***" means the Consolidated Omnibus Budget Reconciliation Act of 1985.

(f) ***"Code"*** means the Internal Revenue Code of 1986, as amended.

(g) **"*Equity Plan*"** means the iBio's 2023 Omnibus Incentive Plan, as amended from time to time.

(h) ***"Executive Officer"*** means an executive officer (as that term is defined in Section 16 of Securities Exchange Act of 1934, as amended, and Rule 16a-1(f) promulgated thereunder) of any Participating Employer;

(i) **"*Good Reason*"** for an Eligible Officer to resign employment shall mean the occurrence of any of the following events without the Eligible Officer's consent:

(1) a material reduction by the Company of the employee's Base Salary, provided, however, that if such reduction is applied proportionately in connection with a Company-wide decrease in executive team compensation prior to a Sale Event, such reduction shall not constitute Good Reason;

(2) a material breach by the Company of the employment agreement by and between the employee and the Company;

(3) the relocation of the employee's principal place of employment, without the employee's consent, by fifty (50) or more miles from his or her then-current principal place of employment immediately prior to such relocation; or

(4) a material reduction in the employee's duties, authority, or responsibilities relative to the employee's duties, authority, or responsibilities as in effect immediately prior to such reduction;

provided, however, that, any such termination by the employee shall only be deemed for Good Reason pursuant to this definition if: (1) the employee gives the Company written notice of his or her intent to terminate for Good Reason within ten (10) days following the occurrence of the condition(s) that he or she believes constitute(s) Good Reason, which notice shall describe such condition(s); (2) the Company fails to remedy such condition(s) within thirty (30) days following receipt of the written notice (the "***Cure Period***"); and (3) the employee voluntarily terminates his or her employment within thirty (30) days following the end of the Cure Period. A "Good Reason" condition for resignation is not triggered due to any Participating Employer initiated action to move a person's employment with a Participating Employer to employment with another Affiliate.

(j) **"*Involuntary Termination Without Cause*"** means with respect to a Eligible Officer such Eligible Officer's dismissal or discharge by the Participating Employer for a reason other than for Cause. The termination of a Eligible Officer's employment will not be deemed to be an "Involuntary Termination Without Cause" if such Eligible Officer's termination occurs as a result of such Eligible Officer's death or disability. An Involuntary Termination Without Cause does not include any Participating Employer initiated action to move a person's employment with a Participating Employer to employment with another Affiliate.

(k) ***"Non-Sale Event Related Termination"*** with respect to an Eligible Officer means such Eligible Officer's Qualifying Termination that does not occur during the period commencing one (1) month prior to a Sale Event and ending twelve (12) months immediately following a Sale Event.

(l) **"*Performance-Based Vesting Equity Awards*"** means stock options, restricted stock, stock units and other equity awards which vest contingent on the attainment of certain performance goals.

(m) **"*Plan Administrator*"** has the meaning set forth in Section 12(a).

(n) **"*Position*"** means the last position held by the Eligible Officer prior to the Qualifying Termination, as determined without giving effect to any reduction in position following a Sale Event or that would give rise to the Eligible Officer's right to resign for Good Reason.

(o) **"*Qualified Plan*"** means a plan sponsored by a Participating Employer that is intended to be qualified under Section 401(a) of the Code.

(p) **"*Qualifying Termination*"** means a resignation for Good Reason or Involuntary Termination Without Cause.

(q) "***Sale Event***" has the meaning ascribed to such term in the Equity Plan.

(r) ***"Sale Event Related Termination"*** with respect to an Eligible Officer means such Eligible Officer's Qualifying Termination that occurs during the period commencing one (1) month prior to a Sale Event and ending twelve (12) months immediately following a Sale Event.

(s) ***"Target Bonus"*** means with respect to an Eligible Officer, the amount of bonus payable under the annual cash bonus plan applicable to such Eligible Officer for the year in which the termination of employment occurs determined as if all the applicable performance goals for such year were attained at a level of 100%.

(t) **"*Time-Based Vesting Equity Awards*"** means stock options, restricted stock, stock units and other equity awards which vest solely contingent on the continued services of an Eligible Officer.

Section 3. **ELIGIBILITY FOR BENEFITS.**

(a) **General Rules.** Subject to the requirements set forth in this Section 3, the Company will grant severance benefits under the Plan to Eligible Officers.

(1) **Definition of "Eligible Officer."** A person is eligible to participate in the Plan if (i) such person is an Executive Officer, and (ii) such person's employment with the Participating Employer terminates due to a Qualifying Termination. A Participating Employer ceasing to qualify as an Affiliate upon or following a Sale Event will not disqualify any Executive Officer then employed by such Participating Employer from eligibility for Plan benefits. The determination of whether a person is an Eligible Officer shall be made by the Plan Administrator, in its sole discretion, and such determination shall be binding and conclusive on all persons.

(2) In order to be eligible to receive benefits under the Plan, the Executive Officer must remain on the job until his or her date of termination as scheduled by the Participating Employer.

(3) In order to be eligible to receive benefits under the Plan, the Executive Officer also must execute and deliver to the Company a general waiver and release in the form determined by the Plan Administrator (the "***Release"***), within the applicable time period set forth therein, but in no event more than sixty (60) days following the date of termination, and such Release must become effective in accordance with its terms. The form of required Release may be incorporated into a separation agreement or other agreement with the employee, and the form of which will be provided to the otherwise Eligible Officer by the Company no more than two (2) days following the date of Qualifying Termination.

(4) If required by the Board, as determined in its discretion, in order to be eligible to receive benefits under the Plan, the Executive Officer also must execute and deliver to the Company a form of Proprietary Information and Inventions Agreement and/or any other proprietary information, confidentiality or non-solicitation or non-competition agreement (collectively the "***PIIA"***) no later than sixty (60) days following the date of termination. Any form of required PIIA must be approved by the Plan Administrator and attached as an Appendix to the Plan prior to a Sale Event. If any PIIA is required to be provided by an Executive Officer in order to be eligible to receive benefits under the Plan, the Company will notify the Executive Officer and provide the form of required PIAA no more than two (2) days following the date of the Qualifying Termination. Any form of required PIIA cannot be approved or amended by the Company at any time following a Sale Event.

(b) Exceptions to Benefit Entitlement. An Executive Officer who otherwise is an Eligible Officer, will not receive benefits under the Plan (or will receive reduced benefits under the Plan) in the following circumstances, as determined by the Plan Administrator in its sole discretion:

(1) The Executive Officer has executed an individually negotiated employment contract or agreement with a Participating Employer relating to severance benefits that is in effect on his or her Qualifying Termination date, in which case such Executive Officer's severance benefit, if any, shall be governed by the terms of such individually negotiated employment contract or agreement and shall be governed by this Plan only to the extent that the reduction pursuant to Section 4(c) below does not entirely eliminate benefits under this Plan.

(2) The Executive Officer voluntarily terminates employment with the Participating Employer without Good Reason. Such voluntary terminations include, but are not limited to, resignation without Good Reason, retirement or failure to return from a leave of absence on the scheduled date.

(3) The Executive Officer terminates employment due to death or disability.

(4) The Executive Officer terminates employment in order to accept employment with another entity that is wholly or partly owned (directly or indirectly) by the Company or an Affiliate.

(5) The Executive Officer is offered an identical or substantially equivalent or comparable Position with the Company or an Affiliate. For purposes of the foregoing, a "substantially equivalent or comparable Position" is one that offers the Executive Officer employment terms that would not give rise to the Executive Officer's right to resign for Good Reason.

(6) The Executive Officer is offered immediate reemployment or continued employment by a successor to the Company or by a purchaser of its assets, as the case may be on terms that would not give rise to the Executive's right to resign for Good Reason. For purposes of the foregoing, "immediate reemployment or continued employment" means that the Executive Officer's employment with the successor to the Company or the purchaser of its assets, as the case may be, results in uninterrupted employment such that the Executive Officer does not incur a lapse in pay as a result of the change in ownership of the Company or the sale of its assets.

(7) The Executive Officer is rehired by the Company or an Affiliate prior to the date benefits under the Plan are scheduled to commence on terms that would not give rise to the Executive Officer's right to resign for Good Reason.

(8) Benefits under this Plan shall terminate immediately if the Executive Officer at any time violates any provision of the Company's or a Participating Employer's Proprietary Information and Inventions Agreement or any other proprietary information, confidentiality or non-solicitation obligation to the Company or a Participating Employer.

Section 4. Amount Of Benefit.

(a) Severance Benefits. Severance benefits under the Plan, if any, shall be provided to Eligible Officers who are terminated in a Qualifying Termination as specified on Appendix B.

(b) Additional Benefits. The Board may, in its sole discretion, provide benefits (i) in addition to those pursuant to Section 4(a) to Eligible Officers or (ii) to employees who are not Eligible Officers (***"Non-Eligible Officers"***) chosen by the Board, in its sole discretion, and the provision of any such benefits to an Eligible Officer or a Non-Eligible Officer shall in no way obligate the Company or the Board to provide such benefits to any other Eligible Officer or to any other Non-Eligible Officer, even if similarly situated. If benefits under the Plan are provided to a Non-Eligible Officer, references in the Plan to "Eligible Officer" shall be deemed to refer to such Non-Eligible Officer.

(c) Certain Reductions.

(1) Mandatory Reductions. Severance benefits provided under the Plan will be reduced, in whole or in part, by other similar benefits payable to the Eligible Officer by the Company and/or the Participating Employer that become payable in connection with the Eligible Officer's termination of employment pursuant to any change in control, severance, separation pay or similar plan or any written employment or severance agreement between the Eligible Officer and the Company or any Participating Employer.

(2) Discretionary Reductions. The Company, in its sole discretion, shall have the authority to reduce an Eligible Officer's severance benefits, in whole or in part, by any other severance benefits, pay and benefits provided during a period following written notice of an office closing or mass layoff, pay and benefits in lieu of such notice, or other similar benefits payable to the Eligible Officer by the Company and/or a Participating Employer that become payable in connection with the Eligible Officer's termination of employment pursuant to (i) any applicable legal requirement, including, without limitation, the Worker Adjustment and Retraining Notification Act or any other similar state law, or (ii) any Company policy or practice providing for the Eligible Officer to remain on the payroll for a limited period of time after being given notice of the termination of the Eligible Officer's employment, and the Plan Administrator shall so construe and implement the terms of the Plan. Any such reductions that the Company determines to make pursuant to this Section 4(c) shall be made such that any benefit under the Plan shall be reduced solely by any similar type of benefit under such legal requirement, policy or practice (*i.e.*, any cash severance benefits under the Plan shall be reduced solely by any cash payments or severance benefits under such legal requirement, policy or practice, and any continued insurance benefits under the Plan shall be reduced solely by any continued insurance benefits under such legal requirement, policy or practice). The Company's decision to apply such reductions to the severance benefits of one Eligible Officer and the amount of such reductions shall in no way obligate the Company to apply the same reductions in the same amounts to the severance benefits of any other Eligible Officer, even if similarly situated. In the Company's sole discretion, such reductions may be applied on a retroactive basis, with severance benefits previously paid being re-characterized as payments pursuant to the Company's statutory obligation.

(d) Continued Group Health Plan Benefits. Each Eligible Officer who is enrolled in a health, dental, or vision plan sponsored by the Participating Employer may be eligible to continue

coverage under such health, dental, or vision plan (or to convert to an individual policy), at the time of the Eligible Officer's termination of employment, under COBRA. The Company will notify the Eligible Officer of any such right to continue such coverage at the time of termination pursuant to COBRA. No provision of this Plan will affect the continuation coverage rules under COBRA, except that the Company's payment, if any, of applicable insurance premiums will be credited, as payment by the Eligible Officer for purposes of the Eligible Officer's payment required under COBRA. Therefore, the period during which an Eligible Officer may elect to continue the Company's or its affiliate's health, dental, or vision plan coverage at his or her own expense under COBRA, the length of time during which COBRA coverage will be made available to the Eligible Officer, and all other rights and obligations of the Eligible Officer under COBRA (except the obligation to pay insurance premiums) will be applied in the same manner that such rules would apply in the absence of this Plan.

(e) Non-Duplication of Benefits. No Eligible Officer is eligible to receive benefits under this Plan more than one time.

Section 5. Return of Company Property.

An Eligible Officer will not be entitled to any severance benefit under the Plan unless and until the Eligible Officer returns all Company Property. For this purpose, "***Company Property***" means all Company and Affiliate documents (and all copies thereof) and other Company and Affiliate property which the Eligible Officer had in his or her possession at any time, including, but not limited to, Company and Participating Employer files, notes, drawings, records, plans, forecasts, reports, studies, analyses, proposals, agreements, financial information, research and development information, sales and marketing information, operational and personnel information, specifications, code, software, databases, computer-recorded information, tangible property and equipment (including, but not limited to, computers, facsimile machines, mobile telephones, servers), credit cards, entry cards, identification badges and keys; and any materials of any kind which contain or embody any proprietary or confidential information of the Company or any Affiliate (and all reproductions thereof in whole or in part).

Section 6. Time Of Payment And Form Of Benefit.

The timing of payment of severance benefits will be as set forth on Appendix B subject to the provisions of this Section 6. All severance benefits provided under the Plan are intended to satisfy the requirements for an exemption from application of Section 409A of the Code and any ambiguities herein shall be interpreted accordingly.

Notwithstanding anything to the contrary set forth herein or on Appendix B, any payments and benefits provided under the Plan that constitute "deferred compensation" within the meaning of Section 409A of the Code and the regulations and other guidance thereunder and any state law of similar effect (collectively ***"Section 409A"***) shall not commence in connection with an Eligible Officer's termination of employment unless and until the Eligible Officer has also incurred a "separation from service," as such term is defined in Treasury Regulations Section 1.409A-1(h) (***"Separation from Service"***), unless the Company reasonably determines that such amounts may be provided to the Eligible Officer without causing the Eligible Officer to incur the adverse personal tax consequences under Section 409A.

It is intended that (i) each installment of any benefits payable under the Plan to an Eligible Officer be regarded as a separate "payment" for purposes of Treasury Regulations Section 1.409A-2(b)(2)(i), (ii) all payments of any such benefits under the Plan satisfy, to the greatest extent possible, the exemptions from the application of Section 409A provided under Treasury Regulations Sections 1.409A-1(b)(4), 1.409A-1(b)(5) and 1.409A-1(b)(9)(iii), and (iii) any such benefits consisting of COBRA premiums also satisfy, to the greatest extent possible, the exemption from the application of Section 409A provided

under Treasury Regulations Section 1.409A-1(b)(9)(v). However, if the Company determines that any such benefits payable under the Plan constitute "deferred compensation" under Section 409A and the Eligible Officer is a "specified employee" of the Company, as such term is defined in Section 409A(a)(2)(B)(i), then, solely to the extent necessary to avoid the imposition of the adverse personal tax consequences under Section 409A, (A) the timing of such benefit payments shall be delayed until the earlier of (1) the date that is six (6) months and one (1) day after the Eligible Officer's Separation from Service and (2) the date of the Eligible Officer's death (such applicable date, the ***"Delayed Initial Payment Date"***), and (B) the Company shall (1) pay the Eligible Officer a lump sum amount equal to the sum of the benefit payments that the Eligible Officer would otherwise have received through the Delayed Initial Payment Date if the commencement of the payment of the benefits had not been delayed pursuant to this paragraph and (2) commence paying the balance, if any, of the benefits in accordance with the applicable payment schedule.

In no event shall payment of any benefits under the Plan be made prior to an Eligible Officer's termination date or prior to the effective date of the Release. Additionally, if the Company determines that any payments or benefits provided under the Plan constitute "deferred compensation" under Section 409A, and the Eligible Officer's Separation from Service occurs at a time during the calendar year when the Release could become effective in the calendar year following the calendar year in which the Eligible Officer's Separation from Service occurs, then regardless of when the Release is returned to the Company and becomes effective, the Release will not be deemed effective any earlier than the latest permitted effective date for purposes of determining the timing of payment of severance benefits.

All severance payments under the Plan shall be subject to applicable withholding for federal, state and local taxes. If an Eligible Officer is indebted to the Company at his or her termination date, the Company reserves the right to offset any severance payments under the Plan by the amount of such indebtedness.

Section 7. Application of Internal Revenue Code Section 280G.

(a) If any payment or benefit an Eligible Officer would receive under the Plan from the Company pursuant to a Sale Event or otherwise ("***Payment***") would (i) constitute a "parachute payment" within the meaning of Section 280G of the Code, and (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the "***Excise Tax***"), then such Payment shall be equal to the Reduced Amount. The "Reduced Amount" shall be either (x) the largest portion of the Payment that would result in no portion of the Payment being subject to the Excise Tax or (y) the largest portion, up to and including the total, of the Payment, whichever amount, after taking into account all applicable federal, state and local employment taxes, income taxes, and the Excise Tax (all computed at the highest applicable marginal rate), results in the Eligible Officer's receipt, on an after-tax basis, of the greater economic benefit notwithstanding that all or some portion of the Payment may be subject to the Excise Tax. If a reduction in a Payment is required pursuant to the preceding sentence and the Reduced Amount is determined pursuant to clause (x) of the preceding sentence, the reduction shall occur in the manner (the "***Reduction Method***") that results in the greatest economic benefit for the Eligible Officer. If more than one method of reduction will result in the same economic benefit, the items so reduced will be reduced pro rata (the "***Pro Rata Reduction Method***").

(b) Notwithstanding any provision of paragraph (a) to the contrary, if the Reduction Method or the Pro Rata Reduction Method would result in any portion of the Payment being subject to taxes pursuant to Section 409A of the Code that would not otherwise be subject to taxes pursuant to Section 409A of the Code, then the Reduction Method and/or the Pro Rata Reduction Method, as the case may be, shall be modified so as to avoid the imposition of taxes pursuant to Section 409A of the Code as follows: (A) as a first priority, the modification shall preserve to the greatest extent possible, the greatest economic benefit for the Eligible Officer as determined on an after-tax basis; (B) as a second priority, Payments that

are contingent on future events (e.g., being terminated without cause), shall be reduced (or eliminated) before Payments that are not contingent on future events; and (C) as a third priority, Payments that are "deferred compensation" within the meaning of Section 409A of the Code shall be reduced (or eliminated) before Payments that are not deferred compensation within the meaning of Section 409A of the Code.

(c) In the event it is subsequently determined by the Internal Revenue Service that some portion of the Reduced Amount as determined pursuant to clause (x) in paragraph (a) is subject to the Excise Tax, the Eligible Officer agrees to promptly return to the Company a sufficient amount of the Payment so that no portion of the Reduced Amount is subject to the Excise Tax. For the avoidance of doubt, if the Reduced Amount is determined pursuant to clause (y) in paragraph (a), the Eligible Officer will have no obligation to return any portion of the Payment pursuant to the preceding sentence.

(d) The accounting firm engaged by the Company for general tax compliance purposes as of the day prior to the effective date of the Sale Event shall perform the foregoing calculations unless otherwise determined by the Company. If the accounting firm so engaged by the Company is serving as accountant or auditor for the individual, entity or group effecting the Sale Event, the Company shall appoint a nationally recognized accounting firm to make the determinations required hereunder. The Company shall bear all expenses with respect to the determinations by such accounting firm required to be made hereunder.

(e) The Company shall use commercially reasonable efforts to cause the accounting firm engaged to make the determinations hereunder to provide its calculations, together with detailed supporting documentation, within fifteen (15) calendar days after the date on which the Eligible Officer's right to a Payment is triggered or such other time as requested by the Company.

Section 8. REEMPLOYMENT.

In the event of an Eligible Officer's reemployment by the Company or an Affiliate during the period of time in respect of which severance benefits provided under the Plan have been paid, the Company, in its sole and absolute discretion, may cease payment of future severance benefits under the Plan as a condition of reemployment.

Section 9. RIGHT TO INTERPRET PLAN; AMENDMENT AND TERMINATION.

(a) Exclusive Discretion. The Plan Administrator shall have the exclusive discretion and authority to establish rules, forms, and procedures for the administration of the Plan and to construe and interpret the Plan and to decide any and all questions of fact, interpretation, definition, computation or administration arising in connection with the operation of the Plan, including, but not limited to, the eligibility to participate in the Plan and amount of benefits paid under the Plan. The rules, interpretations, computations and other actions of the Plan Administrator shall be binding and conclusive on all persons.

(b) Amendment or Termination. The Company reserves the right to amend or terminate this Plan (including Appendix A and Appendix B and any form of required PIIA) or the benefits to be provided hereunder at any time prior to a Sale Event; *provided, however,* that no such amendment or termination shall adversely affect the rights of any Executive Officer who has experienced a Qualifying Termination prior to the date of such Plan amendment or Plan termination. Any action amending or terminating the Plan or adopting or amending any required form of PIIA shall be approved by the Board prior to a Sale Event. The Plan may not be amended or terminated following a Sale Event and any required form of PIIA may not be adopted or amended following a Sale Event.

Section 10. No Implied Employment Contract.

The Plan shall not be deemed (i) to give any Executive Officer or other person any right to be retained in the employ of the Company or a Participating Employer or (ii) to interfere with the right of a Participating Employer to discharge any employee or other person at any time, with or without cause, which right is hereby reserved.

Section 11. Legal Construction.

This Plan is intended to be governed by and shall be construed in accordance with the Employee Retirement Income Security Act of 1974 (***"ERISA"***) and, to the extent not preempted by ERISA, the laws of the State of North Carolina.

Section 12. Claims, Inquiries And Appeals.

(a) Applications for Benefits and Inquiries. Any application for benefits, inquiries about the Plan or inquiries about present or future rights under the Plan must be submitted to the Plan Administrator in writing by an applicant (or his or her authorized representative). The Plan Administrator is:

iBio, Inc.
11750 Sorrento Valley Road
Suite 200
San Diego, CA 92121

(b) Denial of Claims. In the event that any application for benefits is denied in whole or in part, the Plan Administrator must provide the applicant with written or electronic notice of the denial of the application, and of the applicant's right to review the denial. Any electronic notice will comply with the regulations of the U.S. Department of Labor. The notice of denial will be set forth in a manner designed to be understood by the applicant and will include the following:

(1) the specific reason or reasons for the denial;

(2) references to the specific Plan provisions upon which the denial is based;

(3) a description of any additional information or material that the Plan Administrator needs to complete the review and an explanation of why such information or material is necessary; and

(4) an explanation of the Plan's review procedures and the time limits applicable to such procedures, including a statement of the applicant's right to bring a civil action under Section 502(a) of ERISA following a denial on review of the claim, as described in Section 10(d) below.

This notice of denial will be given to the applicant within ninety (90) days after the Plan Administrator receives the application, unless special circumstances require an extension of time, in which case, the Plan Administrator has up to an additional ninety (90) days for processing the application. If an extension of time for processing is required, written notice of the extension will be furnished to the applicant before the end of the initial ninety (90) day period.

This notice of extension will describe the special circumstances necessitating the additional time and the date by which the Plan Administrator is to render its decision on the application.

(c) Request for a Review. Any person (or that person's authorized representative) for whom an application for benefits is denied, in whole or in part, may appeal the denial by submitting a request for a review to the Plan Administrator within sixty (60) days after the application is denied. A request for a review shall be in writing and shall be addressed to:

iBio, Inc.
11750 Sorrento Valley Road
Suite 200
San Diego, CA 92121

A request for review must set forth all of the grounds on which it is based, all facts in support of the request and any other matters that the applicant feels are pertinent. The applicant (or his or her representative) shall have the opportunity to submit (or the Plan Administrator may require the applicant to submit) written comments, documents, records, and other information relating to his or her claim. The applicant (or his or her representative) shall be provided, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to his or her claim. The review shall take into account all comments, documents, records and other information submitted by the applicant (or his or her representative) relating to the claim, without regard to whether such information was submitted or considered in the initial benefit determination.

(d) Decision on Review. The Plan Administrator will act on each request for review within sixty (60) days after receipt of the request, unless special circumstances require an extension of time (not to exceed an additional sixty (60) days), for processing the request for a review. If an extension for review is required, written notice of the extension will be furnished to the applicant within the initial sixty (60) day period. This notice of extension will describe the special circumstances necessitating the additional time and the date by which the Plan Administrator is to render its decision on the review. The Plan Administrator will give prompt, written or electronic notice of its decision to the applicant. Any electronic notice will comply with the regulations of the U.S. Department of Labor. In the event that the Plan Administrator confirms the denial of the application for benefits in whole or in part, the notice will set forth, in a manner calculated to be understood by the applicant, the following:

(1) the specific reason or reasons for the denial;

(2) references to the specific Plan provisions upon which the denial is based;

(3) a statement that the applicant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to his or her claim; and

(4) a statement of the applicant's right to bring a civil action under Section 502(a) of ERISA.

(e) Rules and Procedures. The Plan Administrator will establish rules and procedures, consistent with the Plan and with ERISA, as necessary and appropriate in carrying out its responsibilities in reviewing benefit claims. The Plan Administrator may require an applicant who wishes to submit additional information in connection with an appeal from the denial of benefits to do so at the applicant's own expense.

(f) Exhaustion of Remedies. No legal action for benefits under the Plan may be brought until the applicant (i) has submitted a written application for benefits in accordance with the procedures described by Section 12(a) above, (ii) has been notified by the Plan Administrator that the

application is denied, (iii) has filed a written request for a review of the application in accordance with the appeal procedure described in Section 12(c) above, and (iv) has been notified that the Plan Administrator has denied the appeal. Notwithstanding the foregoing, if the Plan Administrator does not respond to a Participant's claim or appeal within the relevant time limits specified in this Section 12, the Participant may bring legal action for benefits under the Plan pursuant to Section 502(a) of ERISA.

Section 13. Basis Of Payments To And From Plan.

The Plan shall be unfunded, and all cash payments under the Plan shall be paid only from the general assets of the Company.

Section 14. Other Plan Information.

(a) Employer and Plan Identification Numbers. The Employer Identification Number assigned to iBio, Inc. (which is the "***Plan Sponsor***" as that term is used in ERISA) by the Internal Revenue Service is 26-27997813. The Plan Number assigned to the Plan by the Plan Sponsor pursuant to the instructions of the Internal Revenue Service is 501.

(b) Ending Date for Plan's Fiscal Year. The date of the end of the fiscal year for the purpose of maintaining the Plan's records is June 30.

(c) Agent for the Service of Legal Process. The agent for the service of legal process with respect to the Plan is:

Corporate Secretary
iBio, Inc.
11750 Sorrento Valley Road
Suite 200
San Diego, CA 92121

In addition, service of legal process may be made upon the Plan Administrator.

(d) Plan Sponsor and Administrator. The "Plan Sponsor" and the "Plan Administrator" of the Plan is:

iBio, Inc.
11750 Sorrento Valley Road
Suite 200
San Diego, CA 92121

The Plan Sponsor's and Plan Administrator's telephone number is (979) 446-0027. The Plan Administrator is the named fiduciary charged with the responsibility for administering the Plan.

Section 15. Statement Of ERISA Rights.

Participants in this Plan (which is a welfare benefit plan sponsored by [Company]) are entitled to certain rights and protections under ERISA. If you are an Eligible Officer, you are considered a participant in the Plan and, under ERISA, you are entitled to:

(a) Receive Information About Your Plan and Benefits

(1) Examine, without charge, at the Plan Administrator's office and at other specified locations, such as worksites, all documents governing the Plan and a copy of the latest annual report (Form 5500 Series), if applicable, filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration;

(2) Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan and copies of the latest annual report (Form 5500 Series), if applicable, and an updated (as necessary) Summary Plan Description. The Administrator may make a reasonable charge for the copies; and

(3) Receive a summary of the Plan's annual financial report, if applicable. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.

(b) Prudent Actions by Plan Fiduciaries. In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate the Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Plan participants and beneficiaries. No one, including your employer, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a Plan benefit or exercising your rights under ERISA.

(c) Enforce Your Rights. If your claim for a Plan benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan, if applicable, and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator.

If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court.

If you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

(d) Assistance with Your Questions. If you have any questions about the Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

APPENDIX A

IBIO
OFFICER SEVERANCE BENEFIT PLAN

The Participating Employer entities in the Officer Severance Benefit Plan are as follows:

iBio, Inc., a Delaware corporation
All majority-owned subsidiaries of the Company that are incorporated in the United States and which were not acquired by the Company in exchange for consideration in a share purchase, merger, or similar corporate transaction

The foregoing list of Participating Employers is subject to such change as the Company, pursuant to Section 9 of the Plan, may determine in its sole and absolute discretion at any time prior to a Sale Event. Any such change to the Participating Employers shall be set forth in a revised version of this Appendix A approved by the Board. This Appendix A may not be amended at any time following a Sale Event.

APPENDIX B

IBIO
OFFICER SEVERANCE BENEFIT PLAN

Capitalized terms used herein have the definitions set forth in the Plan. Subject to the exceptions set forth in Section 3(b) of the Plan, each Executive Officer who is terminated in a Qualifying Termination and meets all the requirements set forth in Sections 3(a) and 5 of the Plan, including, without limitation, timely provision of an effective Release and any required PIIA, and who therefore is an Eligible Officer shall receive severance benefits as set forth in this Appendix B.

QUALIFYING TERMINATION BENEFITS

1. Cash Severance Benefits.

a. Base Salary. A cash severance benefit equal to the number of months of the Eligible Officer's Base Salary as determined based on the Eligible Officer's Position with the Company, as set forth below. Such cash severance benefit will be paid in equal installments in accordance with the Participating Employer's regular payroll procedures over the monthly period following the date of the Qualifying Termination as indicated in the table below (the "***Severance Period***"), subject to any delay in payment required by Section 6 of the Plan including any delay necessary so that no payments are made prior to the effectiveness of the Release or provision of any required PIIA; provided, however, that to the extent such cash severance benefits are exempt from Section 409A, the Company retains the right to elect to instead pay such amounts in a single lump sum within the 30 day period following the later of effectiveness of the Release or provision of any required PIIA to the extent approved by the Plan Administrator.

Position	**Sale Event Related Termination** **Months of Base Salary**	**Non-Sale Event Related Termination** **Months of Base Salary**
Chief Executive Officer	18	12
Other Executive Officers	12	9

b. Bonus. A cash severance benefit equal to the applicable percentage of the Eligible Officer's Target Bonus as determined based on the Eligible Officer's Position with the Company, as set forth below. Such cash severance benefit will be paid in a single lump sum cash payment on the first payroll date following the date of the Qualifying Termination, subject to any delay in payment required by Section 6 of the Plan including any delay necessary so that no payments are made prior to the effectiveness of the Release.

Position	Sale Event Related Termination Target Bonus Percentage	Non-Sale Event Related Termination Target Bonus Percentage
Chief Executive Officer	150%	100% Pro-Rata during Fiscal Year of the Qualifying Termination
Other Executive Officers	100%	100% Pro-Rata during Fiscal Year of the Qualifying Termination

2. **COBRA Premium Benefit.** If the Eligible Officer timely elects continued coverage under COBRA, the Participating Employer shall pay the full amount of the Eligible Officer's COBRA premiums, or shall provide coverage under any self-funded plan, on behalf of the Eligible Officer for the Eligible Officer's continued coverage under the Participating Employer's group health plans, including coverage for the Eligible Officer's eligible dependents, for the period commencing with the first calendar month following the Qualifying Termination and continuing through the end of the calendar month that includes the last day of the Severance Period (the "***COBRA Payment Period***"); provided, however, that no such premium payments shall be made, and no coverage shall be provided under any group health plan, following the Eligible Officer's death or the effective date of the Eligible Officer's coverage by a group health plan of a subsequent employer. Each Eligible Officer shall be required to notify the Participating Employer immediately if the Eligible Officer becomes covered by a group health plan of a subsequent employer. Upon the conclusion of such period of insurance premium payments made by the Participating Employer, the Eligible Officer will be responsible for the entire payment of premiums required under COBRA for the remainder of the COBRA period, if any.

Notwithstanding the foregoing, if the Participating Employer determines, in its sole discretion, that the Participating Employer cannot provide the COBRA premium benefits without potentially incurring financial costs or penalties under applicable law (including, without limitation, Section 2716 of the Public Health Service Act), the Participating Employer shall in lieu thereof pay the Eligible Officer a taxable cash amount, which payment shall be made regardless of whether the Eligible Officer or his or her eligible dependents elect health care continuation coverage (the "***Health Care Benefit Payment***"). The Health Care Benefit Payment shall be paid in monthly or bi-weekly installments on the same schedule that the COBRA premiums would otherwise have been paid to the insurer. The Health Care Benefit Payment shall be equal to the amount that the Participating Employer otherwise would have paid for COBRA insurance premiums (which amount shall be calculated based on the premium for the first month of coverage), and shall be paid until the earlier of (i) the expiration of the COBRA Payment Period, or (ii) the effective date of the Eligible Officer's coverage by a group health plan of a subsequent employer.

For purposes of this Section 2, (i) references to COBRA shall be deemed to refer also to analogous provisions of state law and (ii) any applicable insurance premiums that are paid by the Participating Employer shall not include any amounts payable by the Eligible Officer under an Internal Revenue Code Section 125 health care reimbursement plan, which amounts, if any, are the sole responsibility of the Eligible Officer.

3. **Sale Event Related Termination Equity Vesting Benefits.** (i) The vesting and exercisability of all outstanding Time-Based Vesting Equity Awards and Performance-Based Vesting Equity Awards (together, "the "***Equity Awards***") that are held by the Eligible Officer on such date shall be accelerated in full as of the date of such Sale Event Related Termination, (ii) any reacquisition or repurchase rights held by the Company in respect of common stock issued pursuant to any other Equity Awards granted to the Eligible Officer by the Company shall lapse in full as of the date of such Sale Event Related Termination, and (iii) the vesting of any other Equity Awards granted to the Eligible Officer by the Company, and any issuance of shares triggered by the vesting of such Equity Awards, shall be accelerated in full as of the date of such Sale Event Related Termination. For purposes of determining the number of shares that will vest pursuant to this provision with respect to any Performance-Based Vesting Equity Awards for which the performance period has not ended and that has multiple vesting levels depending upon the level of performance, vesting acceleration with respect to any ongoing performance period(s) shall occur with respect to the number of shares subject to the award as if the applicable performance criteria had been attained at a 100% level or, if greater, based on actual performance as of the Sale Event Related Termination. Notwithstanding the foregoing, this Section 3 shall not apply to common stock issued under or held in any Qualified Plan.

4. **Reductions Pursuant to Section 4(c) of the Plan.** The severance benefits set forth in this Appendix B are subject to certain reductions under Section 4(c) of the Plan.

Exhibit 31.1

**CERTIFICATION PURSUANT TO RULE 13a-14(a) OR RULE 15d-14(a)
OF THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002**

I, Martin Brenner, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended March 31, 2024 (the "report") of iBio, Inc. (the "registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 13, 2024

By: /s/ Martin Brenner
Name: Martin Brenner
Title: Chief Executive Officer and Chief Scientific Officer
(Principal Executive Officer)

Exhibit 31.2

**CERTIFICATION PURSUANT TO RULE 13a-14(a) OR RULE 15d-14(a)
OF THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002**

I, Felipe Duran, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended March 31, 2024 (the "report") of iBio, Inc. (the "registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 13, 2024

By: /s/ Felipe Duran
Name: Felipe Duran
Title: Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of iBio, Inc. (the "Company") for the quarterly period ended March 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Martin Brenner, Chief Executive Officer and Chief Scientific Officer (Principal Executive Officer) of the Company, certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 13, 2024

/s/ Martin Brenner

Martin Brenner
Chief Executive Officer and Chief Scientific Officer
(Principal Executive Officer)

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. §1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of iBio, Inc. (the "Company") for the quarterly period ended March 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Felipe Duran, Chief Financial Officer (Principal Financial Officer) of the Company, certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 13, 2024

/s/ Felipe Duran
Felipe Duran
Chief Financial Officer
(Principal Financial Officer)