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

FORM 10-K

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

For the fiscal year ended June 30, 2021

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)

Registrant's telephone number, including area code: **(302) 355-0650**

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

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

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

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

The aggregate market value of the voting and non-voting common equity held by non-affiliates of the registrant was $222,357,558 as of December 31, 2020, based upon the closing sale price on the NYSE American of $1.05 per share reported for such date.

There were 217,873,094 shares of the registrant's common stock issued and outstanding as of September 22, 2021.

DOCUMENTS INCORPORATED BY REFERENCE:

Certain portions of the Definitive Proxy Statement to be used in connection with the Registrant's 2021 Annual Meeting of Stockholders are incorporated by reference into Part III of this Annual Report on Form 10-K

IBIO, INC.
ANNUAL REPORT ON FORM 10-K

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Unless the context requires otherwise, references in this Annual Report on Form 10-K (this "Annual Report") to "iBio," the "Company," "we," "us," "our" and similar terms mean iBio, Inc.

Certain statements in this Annual Report, including, without limitation, statements under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations," includes forward-looking statements as defined in Section 27A of the Securities Act of 1933 (the "Securities Act"), Section 21E of the Securities Exchange Act of 1934 (the "Exchange Act"), the Private Securities Litigation Reform Act of 1995 (the "PSLRA") or in releases made by the Securities and Exchange Commission (the "SEC"), all as may be amended from time to time. These cautionary statements are being made pursuant to the Securities Act, the Exchange Act and the PSLRA with the intention of obtaining the benefits of the "safe harbor" provisions of such laws. All statements contained in this Annual Report, other than statements that are purely historical, are forward-looking statements. Forward looking-statements can be identified by, among other things, the use of forward-looking language, such as the words "plans," "intends," "believes," "expects," "anticipates," "estimates," "projects," "potential," "may," "will," "would," "could," "should," "seeks," or "scheduled to," or other similar words, the negative of these terms, other variations of these terms or comparable language, or by discussion of strategy or intentions. Forward-looking statements are based upon management's present expectations, objectives, anticipations, plans, hopes, beliefs, intentions or strategies regarding the future and are subject to known and unknown risks and uncertainties that could cause actual results, events or developments to be materially different from those indicated in such forward-looking statements, including the risks and uncertainties set forth in Item 1A of this Annual Report on Form 10-K and in other securities filings by the Company. These risks and uncertainties should be considered carefully, and readers are cautioned not to place undue reliance on such forward-looking statements. As such, no assurance can be given that the future results covered by the forward-looking statements will be achieved. All information in this Annual Report on Form 10-K is as of June 30, 2021, unless otherwise indicated. The Company does not intend to update this information to reflect events after the date of this Annual Report.

Copies of this Annual Report, our Quarterly Reports on Form 10-Q, our Current Reports on Form 8-K and our other reports filed with the SEC can be obtained free of charge as soon as reasonably practicable after such material is electronically filed with, or furnished to, the SEC on our website at http://www.ibioinc.com/ or directly from the SEC's website at http://www.sec.gov/. Our website and the information contained therein or connected thereto are not intended to be incorporated into this Annual Report.

PART I

Item 1. Business.

Overview

iBio, Inc. ("we", "us", "our", "iBio", "Ibio, Inc" or the "Company") is a developer of next-generation biopharmaceuticals and pioneer of the sustainable *FastPharming* Manufacturing System®. The Company is applying its licensed and owned technologies to develop novel product candidates to treat or prevent fibrotic diseases, cancers, and infectious diseases. The Company is using its *FastPharming* Manufacturing System ("*FastPharming*" or the "*FastPharming* System") and *Glycaneering* Services ™ to rapidly and cost effectively build a portfolio of proprietary biologic drug candidates. The Company is also using the *FastPharming* System to create proteins for others by contract or via the Company's catalog.

The Company operates in two segments: (i)***Biopharmaceuticals***: which includes development and licensing in two business units: Therapeutics (focused on oncology as well as fibrotic and infectious diseases) and Vaccines (human and animal health vaccines), and (ii) ***Bioprocessing*** which includes Services (*FastPharming*, Process Development, Manufacturing, as well as Bioanalytical and other services) and Products (growth factors, lectins, and monoclonal antibodies) for research and further manufacturing uses, collectively known as Research & Bioprocess products ("RBP"):

Biopharmaceutical Segment:

Therapeutics

Anti-Fibrotics

Fibrosis is a pathological disorder in which connective tissue replaces normal parenchymal tissue to the extent that it goes unchecked, leading to considerable tissue remodeling and the formation of permanent scar tissue. Fibrosis can occur in many tissues within the body, including the lungs (e.g., idiopathic pulmonary fibrosis ["IPF"] and skin (e.g. systemic scleroderma ["SSc'].

SSc is a rare chronic disease of uncertain etiology characterized by rapid growth of fibrous tissue that leads to scarring and vascular abnormalities in the skin, joints, and internal organs.

IPF is a type of chronic scarring lung disease characterized by a progressive and irreversible decline in lung function. As the disease progresses, the increased scarring leads to decreasing transfer of oxygen into the bloodstream, and ultimately, irreversible loss of lung function. The average life expectancy after an IPF diagnosis is 3-5 years.[1] Because there is no cure and no therapy has been shown to halt or reverse the progressive deterioration of lung function, the primary goal of IPF treatment is to slow disease progression, maintain or improve quality of life, and prolong survival. Estimates have ranged from 2-29 people per 100,000 in the general population have IPF.

For both SSc and IPF, while there are medications that can slow the progression of specific existing symptoms or temporarily reduce the development of new symptoms. However, these existing antifibrotics do not stop or reverse progression, and for many patients, are poorly tolerated. Thus, there remains a need for better treatment options.

IBIO-100

The Company's lead anti-fibrotic candidate is IBIO-100, and its design is based in part upon work by Dr. Carol Feghali-Bostwick, Professor of Medicine at the Medical University of South Carolina and Vice-Chair of the Scleroderma Foundation. Her initial work was conducted at the University of

[1] Scelfo C, Caminati A, Harari S. Recent advances in managing idiopathic pulmonary fibrosis.*F1000Res*. 2017;6:2052. Published 2017 Nov 27. doi:10.12688/f1000research.10720

Pittsburgh, and we have licensed the patents relevant for the continued development of the molecule from the university.

IBIO-100 candidates have been shown to be effective in animal models with both infusion and oral administration schemes, a novel aspect of a biotherapeutic protein of its type.[2] Also, in preclinical studies, IBIO-100 has been shown to reduce: (i) bleomycin-induced lung fibrosis in mice, as measured by hydroxyproline content and modified Ashcroft histopathology scoring; (ii) collagen content in mice in which fibrosis was produced by osmotic pump delivery of bleomycin followed by pump delivery of IBIO-100, and (iii) hydroxyproline content of human lung tissue obtained after transplant of diseased, terminal-stage organs. Tissue fragments exhibited a significant reduction of hydroxyproline when cultured in the presence of IBIO-100 after only 72 hours. We plan to finalize the selection of a lead molecule and initiate IND-enabling studies during FY 2022.

IBIO-100 has been granted orphan drug designation by the FDA for treatment of systemic scleroderma.

Oncology

There have been notable advances in the field of oncology in recent years, and arguably none more important than the advent of immunotherapies. The ability of iBio's *FastPharming* System to produce monoclonal antibodies – and the *Glycaneering* Technology that can be used to make them more potent - positions iBio well to compete in the rapidly growing field of immuno-oncology. To that end, the Company announced plans in May 2021 to establish its own, organic drug discovery and development capabilities in the San Diego, California area, while also exploring opportunities to license new assets to add to iBio's pipeline of therapeutics.

IBIO-101

In August 2021, the Company signed a worldwide exclusive licensing agreement with RubrYc Therapeutics, Inc., ("RubrYc") to develop and commercialize RTX-003, an anti-CD25 monoclonal antibody [mAb]. In preclinical models of disease, RTX-003 has demonstrated 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 that 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.

RTX-003 is a second-generation anti-CD25 mAb that potently binds and depletes Treg cells but doesn't block the IL-2 signaling pathway to Teffs. Preclinical data show that an afucosylated version of the molecule is even more potent, but since RTX-003 was initially developed using traditional mammalian cell expression systems, a license from third parties for the afucosylation technology on that platform would be necessary. However, given studies in which we demonstrated that fucosylated and afucosylated RTX-003 produced using our *FastPharming* System - and enhanced with our *Glycaneering* Technology – had comparable performance to the mammalian system, we intend to switch to our more sustainable, plant-based manufacturing platform and advance the molecule as IBIO-101. Initiation of IND enabling studies is expected in calendar 2022.

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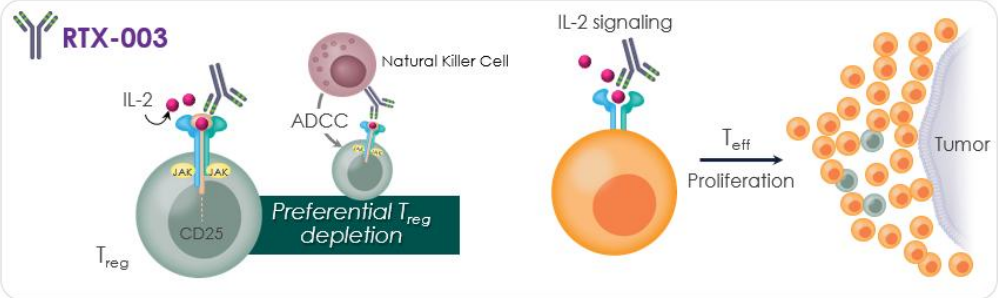
[2] *Science translational medicine* vol. 4,136 (2012): 136a72. doi:10.1126/scitranslmed.3003421

RTX-003 stimulates anti-tumor immunity by depleting immunosuppressive Treg cells via engagement with Natural Killer [NK] Cells



Discovery Oncology

iBio has three oncology products in the discovery stage. All three products are antibodies that should benefit from iBio's *Glycoengineering* Technology which enables afucosylation of the molecule to enhance antibody dependent cellular cytotoxicity ("ADCC"). Greater ADCC conveys greater potency for cancer cell killing effects. We expect the oncology pipeline to continue to grow via the Collaboration and Option Agreement with RubrYc, as well as the Company's partnership with an antibody discovery firm Fair Journey (see Strategic Alliances, Collaborations, and Joint Ventures below for additional details).

Vaccines:

Human Health: SARS-CoV-2

Coronavirus disease 2019 ("COVID-19" or "COVID") is an infectious disease caused by severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2). It was first identified in December 2019 in Wuhan, Hubei, China, and has resulted in an ongoing pandemic. Common symptoms include fever, cough, fatigue, shortness of breath or breathing difficulties, and loss of smell and taste. While most people have mild symptoms, some people develop acute respiratory distress syndrome (ARDS), possibly precipitated by cytokine dysregulation, multi-organ failure, septic shock, and blood clots.

Thebiopharmaceutical industry successfullyand rapidlyrose to the challenges of the COVID pandemic, delivering highly effective vaccines in record time. However, by the summer of 2021, many experts concluded that the COVID crisis is likely to be endemic to many regions around the world given the rapid emergence of SARS-CoV-2 variants requiring ongoing management and responsiveness. As a result, numerous unmet vaccination needs remain:

- Capability and capacity to address spike protein variants like Delta, for years to come
- Greater durability via generation of memory T cells
- Removing global barriers to access, including the high costs of many of the first-generation vaccines and cold-chain logistical challenges
- "Fear of the needle" and other patient hesitancy

Weinitiated preclinical work on vaccine designs that might overcome some of the challenges associated with the first-generation vaccines that target only the spike protein of SARS-CoV-2. In particular, we seek to design and

develop a second-gen vaccine that addresses the current durability, access, and variant-inclusion challenges we still face.

IBIO-202

Produced in iBio's *FastPharming* System, IBIO-202 is a subunit vaccine candidate that targets the Nucleocapsid (N) protein of SARS-CoV-2. Since the N protein is abundantly expressed during infection, contains immunogenic epitopes and is more highly conserved than the spike ("S') protein among the viral variants; new viral variants may be less likely to escape vaccine protection. IBIO-202 is adjuvanted to potentially allow for greater immunogenicity and/or dose sparing. An "N-only" vaccine may be highly complementary to existing first-generation, S protein-directed vaccines.

Initial pre-clinical studies of IBIO-202 demonstrated a robust, antigen-specific, memory T-cell response. Immunization data are consistent with that, as a strong, cytotoxic, memory T-cell response was seen, rather than an inflammatory response. In addition, T-cell priming was achieved via both intramuscular and intranasal administration, allowing for the further exploration of multiple routes of administration and their respective benefits.

In September 2021, iBio submitted a pre-IND package for IBIO-202 with the intent to move its novel vaccine candidate into the clinic. Additionally, the Company recently filed fourprovisional patent applications with the U.S. Patent and Trademark Office related to the program.

Animal Health: Classical Swine Fever

Classical swine fever ("CSF") is a contagious, often fatal disease affecting both feral and domesticated pigs. Outbreaks in Europe, Asia, Africa, and South America have not only adversely impacted animal health and food security but have also had severe socioeconomic impacts on both the pig industry worldwide and small-scale pig farming. Currently available vaccines can be efficient at triggering rapid animal immune response and protecting swine populations when combined with culling of infected pigs, but do not allow the differentiation of infected from vaccinated animals (DIVA), nor are they approved for use in the U.S. The development of DIVA compatible and efficacious vaccination solutions remains a top priority to prevent the economic impacts of a CSF outbreak including supply disruptions, export restrictions and reduced food security.

IBIO-400

In collaboration with the Institute of Infectious Animal Diseases at Texas A&M University and the Kansas State University, iBio used the *FastPharming* System to develop a potentially safe and protective DIVA-capable subunit vaccine[3].

The antigen is formulated in cost-effective oil-in-water emulsion adjuvants. IBIO-400 studies have shown that after single-dose vaccination, the adjuvanted, plant-made CSF E2 subunit vaccine provides complete protection in challenged pigs and is accompanied by strong virus neutralization antibody responses.

Further efficacy and safety studies are being planned using cGMP material. Also, efforts are underway to secure required United States Department of Agriculture ("USDA") regulatory approvals for IBIO-400.

[3] Laughlin, R.C. et al. (2019) "Plant-made E2 glycoprotein single-dose vaccine protects pigs against classical swine fever." Plant Biotechnol J. 17(2):410-420]

Bioprocess segment

Services:

iBio uses its proprietary *FastPharming* Expressions System and know how to develop or manufacture recombinant proteins on a contract basis for third parties, as well as to support our own biopharmaceutical development initiatives. iBio generated $2.4 million in revenue from its CDMO service offerings for the year ended June 30, 2021. Fiscal year 2021 revenue increased 50% over revenue of $1.6 million from the year ended June 30, 2020. iBio's Services now include:

Process Development	Contract development and manufacturing, including: Feasibility assessment and development of manufacturing processes using iBio's *FastPharming* Technology for optimized gene expression and purification parameters to meet client specifications for their active pharmaceutical ingredients ("APIs"). Product optimization via iBio's *Glycaneering* Services that may be used to enhance the quality and performance of therapeutic proteins with our plant-based glycosylation controls.
Manufacturing	Bioproduction using the *FastPharming* System.
BioAnalytics	Method development and validation, including protein characterization using mass spectrometry.
Factory Solutions	For the clients who seek to insource biologics manufacturing using the *FastPharming* System instead of outsourcing production to iBio CDMO, LLC.

We expect our Services business to deliver synergies with our Biopharmaceutical Segment, as in some cases it may allow us to identify in-licensing opportunities. Similarly, there may be opportunities for leverage with our Products business, as demonstrated by our relationship with Safi Biosolutions, Inc., in which we have the opportunity to selectively add certain recombinant proteins from that collaboration to our own catalog of products.

Products: Research & Bioprocess

iBio is developing sustainably produced recombinant proteins for use in cutting-edge research and cGMP biomanufacturing where the demand for high-quality proteins is strong. During the year ended June 30, 2021, we launched our new e-shop and the first four research use-only [RUO] products in our RBP portfolio. We plan to continue to add new RUO products as well as proteins intended for further cGMP manufacturing use [FMU] over time. We expect to offer standard catalog products and accept custom new product requests for a variety of applications, including:

- Antibodies for use in drug manufacturing processes.
- Cytokines and growth factors for cell culture applications.
- Proteins for use in the biofabrication of tissues and organs
- Other biologics for use in a range of life science research, development, and bioprocessing applications

Our new RBP business may create synergies with our Services business, as the ready availability of catalog products facilitates lead generation for contract development or manufacturing services.

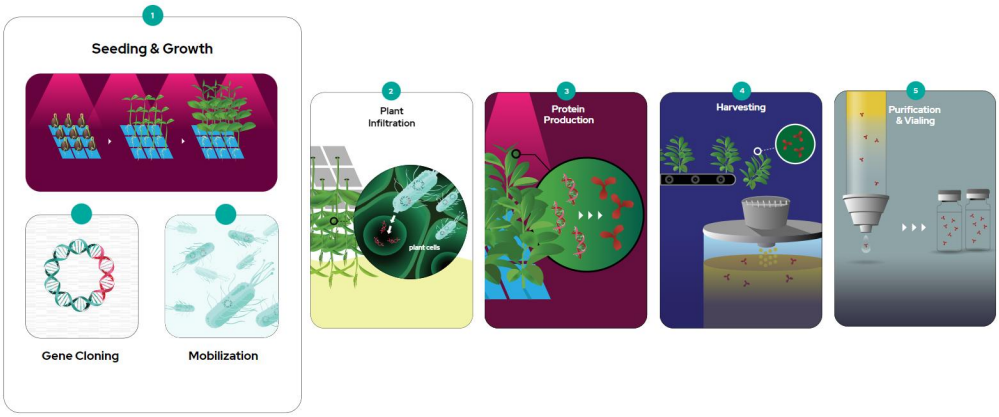
FastPharming

The *FastPharming* System is iBio's proprietary approach to plant-made pharmaceutical and protein production. It uses hydroponically-grown, transiently-transfected plants, (typically *Nicotiana benthamiana,* a relative of the tobacco plant), novel expression vectors, a large-scale transient transfection method, and other technologies that can be used to produce complex therapeutic proteins emerging from our own, our clients' and our potential clients' pipelines.

The *FastPharming* System offers several potential advantages versus traditional mammalian cell expression systems, including:

- **Speed:** Shorter time-to-clinic with research and clinical-scale quantities of product in weeks versus months
- **Cost-Effectiveness:** No expensive, labor-intensive or costly mammalian cell line development
- **Quality:** Consistently high-quality recombinant protein production with the ability to enhance potency for some products with powerful glycosylation controls
- **Scalability:** Each *N. benthamiana* plant is its own bioreactor, so scale-up issues are avoided by simply growing more plants
- **Safety:** Since mammalian viruses cannot replicate in plants, *FastPharming*-produced products avoid many of the risks associated with viral contamination events
- **Sustainability/Eco-Friendliness**: Use of plants for the protein expression process avoids the single-use plastic disposables frequently used in large volumes with mammalian expression systems

The *FastPharming* System has been established in iBio's 130,000 square foot facility in Bryan, Texas. The process begins with robotic seeding of iBio's plants into an inert matrix for hydroponic cultivation under optimized LED lighting conditions. While the plants grow, *FastPharming* vectors carrying the genes encoding the desired protein product are developed and then loaded into a bacterial host (*Agrobacterium tumefaciens*). Then, the bacteria carrying the vectors and DNA for producing the desired protein are introduced into the leaves of the plants via an automated vacuum infiltration process. The vectors introduce the DNA into the plant nucleus, where it is coded into instructions that direct the plant's own cellular machinery to make the desired protein. A specific arrangement of genes for plant viral enzymes causes these protein production instructions to be copied hundreds of thousands of times in each plant cell. Thus, as the plants continue growing for about another week, the gene transfer vectors combine the desirable features of the DNA mobilization plasmid, with gene control elements taken from single-stranded RNA plant viruses, to produce the encoded protein in abundance. With the target protein accumulated in the leaves, the plants are harvested, and the bulk drug substance is purified via traditional methods.



In the *FastPharming* System, no animal- or human-derived materials are used, decreasing the risk of product contamination with mammalian viruses or prions. In place of animal-origin raw materials, green plants, grown under clean and controlled conditions, provide for the expression of proteins. This portion of the bioprocess uses raw materials readily available to us, decreasing certain supply chain risks.

By incorporating transient gene expression technology, the *FastPharming* System can rapidly deliver high quality proteins for clinical use without several of the time-consuming steps that competitive mammalian-cell based expression systems require, such as the need to i) isolate a high-producing cell clone from millions of non-productive cells, ii) establish a master cell bank, and iii) grow the clonal cells in a sterile fermenter to start the manufacturing process. This speed and cost advantage may allow iBio the opportunity to test more pipeline opportunities and generate results quicker than conventional approaches. In addition to saving months of development time associated than traditional production platforms, iBio believes that the use of plants as bioreactors may be more environmentally friendly than mammalian cell culture protein expression systems. Traditional protein expression systems require large volumes of water-for-injection [WFI] that is energy-intensive to produce. Also, many modern cell culture production systems rely heavily upon single-use plastic consumables for their operations. The combination may contribute to the finding that in 2015, the pharmaceutical industry's emission intensity was about 55% higher than that of the automotive industry[4]. Given that our process, plants, which fix carbon, are at the heart of the process and the use of disposable plastics is minimized.

iBio seeks to continuously improve the *FastPharming* System via incremental and step changes in process to ensure additional advantages are incorporated as technology changes for bioprocessing.

Strategic Alliances, Collaborations, and Joint Ventures

iBio has formed collaborations and strategic alliances to gain access to funding, capabilities, technical resources and intellectual property to further its development efforts, commercialize its technology and to generate revenues, including through the development and manufacture of products at iBio's *FastPharming* Facility.

[4] Belkhir, L., et. al. (2018) "Carbon footprint of the global pharmaceutical industry and relative impact of its major players". J Cleaner Production 214:185-194

Several agreements with RubrYc Therapeutics, Inc.

On August 23, 2021, we entered into a series of agreements with RubrYc Theraputics, Inc. ("RubrYc") described in more detail below

Collaboration and License Agreement: We 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 campaign. Under the terms of the agreement, we will be solely responsible for worldwide research and development activities for development of the RTX-003 antibodies for use in pharmaceutical products in all fields. Contingent upon receipt by RubrYc of funding of its Series A-2 preferred stock offering (see below), during the term of the RTX-003 License Agreement, RubrYc granted us an exclusive worldwide sublicensable royalty-bearing license under the patents controlled by RubrYc that cover the RTX-003 antibodies. The commercial license exclusively permits us to research, develop, make, have made, manufacture, use, distribute, sell, offer for sale, import, and export antibodies in RubrYc's RTX-003. Under the terms and conditions of the RTX-003 License Agreement, we agreed to use commercially reasonable efforts to develop and commercialize RTX-003 antibodies. If we fail to achieve certain timing milestones for starting GMP manufacturing and dosing human patients under an IND, we could be required to make a payment to RubrYc on the date the milestone is missed and on each anniversary of such date until the milestone is achieved, provided that the milestone was missed due to our failure to exercise commercially reasonable efforts.

iBio Development Milestones

- Successful 1st run GMP manufacture first licensed product
- 1st patient dosed under a licensed product

Under the terms of the RTX-003 License Agreement, RubrYc is eligible to receive from us up to an aggregate of $15 million in clinical development and regulatory milestone payments for RTX-003 upon achievement of the following four clinical milestones:

- 5th patient dosed in a Phase I clinical study;
- 5th patient dosed in a Phase II clinical study;
- 4th patient dosed in a Phase III clinical study (payable in cash or our stock, at our discretion) and
- First commercial sale (payable in cash or our stock, at our discretion).

RubrYc will also be entitled to receive royalties in the mid-single digits on net sales of RTX-003 antibodies, subject to adjustment under certain circumstances. Royalties are payable on a country-by-country 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.

If either we or RubrYc materially breaches the RTX-003 License Agreement and does not cure such breach within 60 days (or 30 days in the event of non-payment), the non-breaching party may terminate the RTX-003 License Agreement in its entirety. Either party may also terminate the RTX-003 License Agreement, effective immediately upon written notice, if the other party files for bankruptcy, is dissolved or has a receiver appointed for substantially all of its property. RubrYc may terminate the RTX-003 License Agreement if we or our sublicensees challenges the validity or enforceability of any of RubrYc's Licensed Patents subject to certain exceptions. We may terminate the RTX-003 License Agreement in its entirety for any or no reason upon ninety (90) days' written notice to RubrYc. In addition, if RubrYc is unable to complete a financing with proceeds of a certain agreed upon amount by a set time defined in the RTX-003 License Agreement, we may terminate the RTX-003 License Agreement upon written notice to RubrYc within thirty (30) days of the end of such period. Effective upon such termination, among other things, RubrYc shall assign to us exclusive ownership of the RTX-003, including all relevant intellectual property rights.

Collaboration, Option and License Agreement: We entered into an agreement with RubrYc to collaborate for up to five years to discover and develop novel antibody therapeutics using RubrYc's artificial intelligence discovery platform. Antibody targets for the collaboration may be agreed upon pursuant to written collaboration plans approved by a joint steering committee comprised of two representatives of each party. In addition, RubrYc has granted us an exclusive option to obtain a worldwide sublicensable commercial license with respect to each of the lead product candidates resulting from such collaboration programs (the "Selected Compounds"). We have agreed to pay RubrYc for each Selected Compound as it achieves various milestones in addition to royalties if the Selected Compounds are commercialized. We have agreed to pay RubrYc for each Selected Compound as it achieves various milestones in addition to royalties we would owe if it were commercialized. Under the terms and conditions of the Collaboration Agreement, in the event the option is exercised by us, we have various diligence obligations including that we will use commercially reasonable efforts to (i) develop Selected Compounds for use in pharmaceutical products (the "Collaboration Products"); and (ii) commercialize the Collaboration Products. We are also required to meet a series of development milestones for each Collaboration Product. Failure to achieve the milestones will result in a payment to RubrYc on the date the milestone is missed and on each anniversary of such date until the milestone is achieved, provided that the milestone was missed due to our failure to exercise commercially reasonable efforts.

iBio Development Milestones

- Successful 1st run GMP manufacture of the first Collaboration Product
- Initiate IND enabling studies for such Collaboration Product
- 1st patient dosed under such Collaboration Product

Under the terms of the Collaboration Agreement, RubrYc is eligible to receive from us up to an aggregate of $15 million in clinical development and regulatory milestone payments for each Collaboration Product that achieves the following:

1) 5th patient dosed in a Phase I clinical study;
2) 5th patient dosed in a Phase II clinical study;
3) 4th patient dosed in a Phase III clinical study (payable in cash or our stock, at our discretion) and
4) First commercial sale (payable in cash or our stock, at our discretion).

RubrYc will also be 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.

If either we or RubrYc materially breaches the Collaboration Agreement and does not cure such breach within 60 days (or 30 days in the event of non-payment), the non-breaching party may terminate the Agreement in its entirety. Either party may also terminate the Collaboration Agreement, effective immediately upon written notice, if the other party files for bankruptcy, is dissolved or has a receiver appointed for substantially all of its property. RubrYc may terminate the Collaboration Agreement if we, our affiliates or our sublicensees challenges the validity or enforceability of any of RubrYc's patents covering any of the licensed compounds or products. We may terminate the Collaboration Agreement in its entirety, or with respect to a program, collaboration or Selected Compound for any or no reason upon ninety (90) days' written notice to RubrYc.

In addition, if RubrYc is unable to complete a financing with proceeds of a certain agreed upon amount by a set time defined in the Collaboration Agreement, we may terminate the Collaboration Agreement upon written notice to RubrYc within thirty (30) days of the end of such period. Effective upon such termination, among other things, RubrYc shall assign to us exclusive ownership of the Collaboration Hit Candidates (as defined in the Collaboration Agreement) that are in the then-current (un-terminated) discovery collaboration plans, including all relevant intellectual property rights.

Stock Purchase agreement: In connection with the entry into the Collaboration Agreement and RTX-003 License Agreement, we also entered into a Stock Purchase Agreement ("Stock Purchase Agreement") with RubrYc whereby we purchased 1,909,563 shares of RubrYc's Series A-2 preferred stock "Series A-2 Preferred") for $5,000,000 and agreed to acquire an additional 954,782 shares of RubrYc's Series A-2 Preferred for $2,500,000 in the event certain conditions set forth in the Stock Purchase Agreement are satisfied as of December 1, 2021. In connection with the Stock Purchase Agreement, we entered into the RubrYc Therapeutics, Inc. Second Amended and Restated Investors' Rights Agreement (the "Investors' Rights Agreement"), RubrYc Therapeutics, Inc. Second Amended and Restated Voting Agreement (the "Voting Agreement") and the RubrYc Therapeutics, Inc. Second Amended and Restated Right of First Refusal and Co-Sale Agreement (the "Right of First Refusal and Co-Sale Agreement").

The rights, preferences of and privileges of the RubrYc Series A-2 Preferred Stock ("Series A-2 Preferred") are set forth in the Third Amended and Restated Certificate of Incorporation of RubrYc Therapeutics, Inc. (the "Amended RubrYc COI"), and include a preferential eight percent (8%) dividend, senior rights on liquidation, the right to elect a Series A-2 Preferred director for as long as the Company holds at least 1,500,000 shares of RubrYc stock, the right to vote on an as-converted basis, certain anti-dilution and other protective provisions, the right to convert the Series A-2 Preferred into shares of RubrYc common stock at our option, and mandatory conversion of the Series A-2 Preferred into shares of RubrYc common stock upon (a) the closing of a firm-commitment underwritten public offering to the public pursuant to an effective registration statement under the Securities Act of 1933, as amended, for shares of RubrYc common stock at a per share price of at least five (5) times the Series A-2 Original Issue Price (as defined in the Amended RubrYc COI) and resulting in at least $30,000,000 of gross proceeds to RubrYc or (b) such other date, time or event, specified by vote or written consent of the majority of the aggregate voting power, on an as-converted basis, of the RubrYc Series A preferred stock ("Series A Preferred" and together with the Series A-2 Preferred, the "Senior Preferred Stock") and Series A-2 Preferred. The Right of First Refusal and Co-Sale Agreement gives RubrYc the right of first refusal on stock sales by key holders, generally defined as founders, and a second right of first refusal and a co-sale right to specified other investors, including certain holders of Senior Preferred Stock and the Company.

The Investors' Rights Agreement provides the holders of Senior Preferred Stock with, among things: (i) demand registration rights, under specified circumstances; (ii) piggyback registration rights in the event of a company registered offering; (iii) lock-up and market-standoff obligations following a registered underwritten public offering; (iv) preemptive rights on company offered securities; and (v) additional protective covenants that require the approval at least two of the three directors elected by the holders of the Senior Preferred Stock.

Pursuant to the Voting Agreement, certain RubrYc stockholders are contractually obligated to, among other things, vote for and maintain the authorized number of directors at five members, one of which the Company has the contractual right to elect subject to the conditions set forth above.

License with University of Pittsburgh ("UP")

On January 14, 2014 (the "Effective Date"), we entered into an exclusive worldwide License Agreement with UP which was amended on August 11, 2016 and December 2, 2020 (the "Exclusive License Agreement") covering all of the U.S. and foreign patents and patent applications and related intellectual property owned by UP pertinent to the use of endostatin peptides for the treatment of human and veterinary fibrosis (the "Field"). We paid an initial license fee of $20,000 and we are required to pay all of UP's patent prosecution costs that were incurred prior to, totaling $30,627, and subsequent to the Effective Date. On each anniversary date we are to pay license fees ranging from $25,000 to $150,000 for the first five years and $150,000 on each subsequent anniversary date until the first commercial sale of the licensed technology. Beginning with commercial sales of the technology or approval by the FDA or foreign equivalent, the Company will be required to pay milestone payments, royalties and a percentage of any non-royalty sublicense income to UP. Under the terms of the Exclusive License Agreement, UP is also eligible to receive from us up to an aggregate of $1,000,000 in clinical development and regulatory milestone payments. UP will also be entitled to receive low single-digit tiered royalties on sales of products containing the licensed technology, with a minimum annual royalty once sales commence. In the event that we are required to license intellectual property rights owned by a third-party to make, use, or sell licensed technology in the Field in order to avoid infringing the patent or other intellectual property rights of such third-party, then subject to certain conditions, we will be entitled to a credit of such third-party royalties against royalties due to UP. Under the terms and conditions of the Exclusive License Agreement, we have agreed to use our best efforts to bring the licensed

technology to market as soon as practicable, consistent with sound and reasonable business practice and judgment, and to continue active, diligent marketing efforts for the licensed technology throughout the term of the Exclusive License Agreement. In addition, the Exclusive License Agreement sets forth specific milestone completion deadlines including filing an investigational new drug application by December 31, 2021, enrollment of first patient in a Phase 1 clinical trial by March 31, 2022, enrollment of first patient in a Phase 2 clinical trial by June 30, 2023, enrollment of first patient in a Phase 3 clinical trial by June 30, 2026 and filing of a Biologics License Application or foreign equivalent by December 21, 2029. We are also required to meet certain diligence milestones. We are unlikely to file an investigational new drug application by December 31, 2021 so we have engaged in discussion with UP to extend the deadlines. We don't know if or on what terms we will be able to extend the deadlines.

If we breach the Exclusive License Agreement and do not cure such breach within 30 days of receipt of notice, the UP may terminate the Exclusive License Agreement in its entirety. UP may also terminate the Exclusive License Agreement, effective immediately, if we file for bankruptcy, are dissolved or have a receiver appointed for substantially all of our property.

Planet Biotechnologies: ACE2-Fc

After reviewing our internal strategy, we have decided to terminate the partnership with Planet Biotechnologies, Inc. for the development of the recombinant ACE2-Fc protein as treatment for COVID-19 and other coronavirus diseases. As part of our original agreement, no payments are due to Planet at the time of termination.

FastPharming Facility Joint Venture with Eastern Capital Limited

iBio CDMO's operations take place in Bryan, Texas in a 130,000 square-foot cGMP manufacturing facility controlled by an affiliate (the "Second Eastern Affiliate") of Eastern Capital Limited ("Eastern"), a former significant stockholder of ours, as sublandlord (the "Sublandlord"). The facility is a Class A life sciences building located on land owned by the Texas Agricultural and Mechanical College of Texas ("Texas A&M") system designed and equipped for the manufacture of plant-made biopharmaceuticals. The Sublandlord granted iBio CDMO a 34-year lease for the facility that expires in 2050.

On December 16, 2015, we formed iBio CDMO as a Delaware limited liability company to develop and manufacture plant-made pharmaceuticals. On January 13, 2016, we entered into a contract manufacturing joint venture with an affiliate of Eastern (the "Eastern Affiliate"). The Eastern Affiliate contributed $15 million in cash for a 30% interest in iBio CDMO. We retained a 70% interest in iBio CDMO and granted iBio CDMO a non-exclusive license to use our proprietary technologies for research purposes and an exclusive U.S. license for manufacturing purposes. We retained the exclusive right to grant product licenses to those who wish to sell or distribute products made using our technology. On February 23, 2017, we entered into an exchange agreement with the Eastern Affiliate, pursuant to which we acquired substantially all of the interest held by the Eastern Affiliate in iBio CDMO and issued one share of our iBio CMO Preferred Tracking Stock, par value $0.001 per share. After giving effect to the transaction, we own 99.99% of iBio CDMO. At any time, at our election or the election of the Eastern Affiliate, the outstanding share of iBio CMO Preferred Tracking Stock may be exchanged for 29,990,000 units of limited liability company interests of iBio CDMO. Following such exchange, we would own a 70% interest in iBio CDMO and the Eastern Affiliate would own a 30% interest.

See Notes 1, 15 and 16 in the consolidated financial statements for a further discussion.

Commercial activities commenced in January 2016 with most of our initial efforts directed towards recommissioning the facility to help meet cGMP manufacturing standards and provisions for iBio's service offerings. The facility houses laboratory and pilot-scale operations, as well as large-scale automated hydroponic systems capable of growing more than four million plants and delivering dozens of kilograms of protein per year

Intellectual Property

We currently own or license 102 patents, of which 96 are owned and 6 are licensed. Of the 102 patents we own, 24 are U.S. and 72 are international. We have an exclusive license to 6 U.S. patents. Additionally, we have 7 U.S., 1 Patent Cooperation Treaty, and 11 international applications pending. International patents and applications include numerous foreign countries including Australia, Brazil, Canada, China, Hong Kong, India, Korea, and several countries in Europe. In the U.S. our patents expire between 2023 and 2036. Outside the US these patents expire between 2023 and 2036.

We exclusively own the right to use certain intellectual property acquired by or developed at Fraunhofer for human health and certain veterinary and diagnostic applications. We also own intellectual property developed or acquired independently of Fraunhofer.

In addition, we have an exclusive worldwide license agreement with the University of Pittsburgh covering U.S. and foreign patents and patent applications and related intellectual property co-owned with the University of Pittsburgh and the Medical University of South Carolina pertinent to the use of endostatin peptides for the treatment of fibrosis.

Our success will depend in part on our ability to obtain and maintain patent protection for our technologies and products and to preserve our trade secrets. Our policy is to seek to protect our proprietary rights, by among other methods, filing patent applications in the U.S. and foreign jurisdictions to cover certain aspects of our technology. We continue to prepare patent applications relating to our expanding technology in the U.S. and abroad.

The technology and products covered by our issued and pending patent applications are summarized below:

Technology and Product Patents (U.S.)

- Virus-induced gene silencing in plants
- Transient expression of foreign genes in plants
- Production of foreign nucleic acids and polypeptides in sprout systems
- Production of pharmaceutically active proteins in sprouted seedlings
- Systems and method for clonal expression in plants
- Recombinant carrier molecule for expression, delivery and purification of target polypeptides
- Influenza antigens, vaccine compositions, and related methods
- Plague antigens, vaccine compositions, and related methods
- Influenza therapeutic antibodies
- Trypanosomiasis vaccine
- Anthrax antigens, vaccine compositions, and related methods
- Use of endostatin peptides for the treatment of fibrosis

Pending Technology Patent Applications (U.S. and International)

- Activation of transgenes in plants by viral vectors
- Transient expression of proteins in plants
- Thermostable carrier molecule
- *In vivo* deglycosylation of recombinant proteins in plants

Pending Product Patent Applications (U.S. and International)

- Antibodies
- Influenza vaccines
- Influenza therapeutic antibodies
- Anthrax vaccines

- Plague vaccines
- HPV vaccines
- Trypanosomiasis vaccine
- Malaria vaccines
- Endostatin fragments and variants for use in treating fibrosis
- COVID-19 vaccines

Competition

The biotechnology and pharmaceutical industries are characterized by rapidly advancing technologies, intense competition and a strong emphasis on proprietary products.

We face competition from many different sources, including commercial pharmaceutical and biotechnology enterprises, academic institutions, government agencies, and private and public research institutions. Our commercial opportunities will be reduced or eliminated if our competitors develop and commercialize products that are safer, more effective, have fewer side effects or are less expensive than any products that we or our collaborators may develop based on the use of our technologies.

Our competition in the CDMO market includes a number of full-service contract manufacturers and large pharmaceutical companies offering third-party development and manufacturing services to fill their excess capacity. Large pharmaceutical companies have been seeking to divest portions of their manufacturing capacity, and any such divested businesses may compete with us in the future. In addition, most of our competitors may have substantially greater financial, marketing, technical or other resources than we do. Moreover, additional competition may emerge and may, among other things, result in a decrease in the fees paid for our services, which would affect our results of operations and financial condition.

While we believe that the potential advantages of our new technologies will enable us to compete effectively against other providers of technology for biologic product development and manufacturing, many of our competitors have significantly greater financial resources and expertise in research and development, manufacturing, preclinical testing, clinical trials, regulatory approvals and marketing approved products than we do. Smaller or early-stage companies may also prove to be significant competitors, particularly through arrangements with large and established companies, and this may reduce the value of our technologies for the purposes of establishing license agreements. In addition, these third parties compete with us in recruiting and retaining qualified scientific and management personnel, establishing clinical trial sites and patient registration for clinical trials, as well as in acquiring technologies and technology licenses complementary to our programs or advantageous to our business.

We expect to rely upon licensees, collaborators or customers for support in advancing certain of our drug candidates and intend to rely on additional work with our collaborators during our efforts to commercialize our product candidates. Our licensees, collaborators or customers may be conducting multiple product development efforts within the same disease areas that are the subjects of their agreements with us. Agreements with collaborators may not preclude them from pursuing development efforts using a different approach from that which is the subject of our agreement with them. Any of our drug candidates, therefore, may be subject to competition with a drug candidate under development by a customer.

There are currently approved vaccines and therapies for many of the diseases and conditions addressed by the product candidates our clients and collaborators may be developing or manufacturing or in our own pipeline. Technological developments in our field of research and development occur at a rapid rate and we expect competition to intensify as advances in this field are made. We will be required to continue to devote substantial resources and efforts to our research and development activities.

As a biopharmaceutical company with a focus on cancer therapeutics, we compete with a broad range of companies. At the highest level, our therapeutics can be seen as both a complement and a potential competitor to any oncology therapy, most notably chemotherapy, radiotherapy, biologics and small molecule drugs. Not only do we compete with companies engaged in various cancer treatments including radiotherapy and chemotherapy, but we also compete with various companies that have developed or are trying to develop immunology vaccines for the treatment of cancer. Certain of our competitors have substantially greater capital resources, large customer bases, broader product lines, sales forces, greater marketing and management resources, larger research and development staffs with extensive facilities and equipment than we do and have more established reputations as well as global distribution channels. Our most significant competitors, among others, are fully integrated pharmaceutical companies such as Eli Lilly and Company, Bristol-Myers Squibb Company, Merck & Co., Inc., Novartis AG, MedImmune, LLC (a wholly owned subsidiary of AstraZeneca plc), Johnson & Johnson, Pfizer Inc., MerckKGaA and Sanofi SA, and more established biotechnology companies such as Genentech, Inc. (a member of the Roche Group), Amgen Inc., Gilead Sciences, Inc. and its subsidiary Kite Pharma, Inc., and competing cancer immunotherapy companies such as, Bluebird Bio, Inc., Transgene SA, Bausch Health Companies, NewLink Genetics Corporation, Agenus Inc., Aduro Biotech, Inc., Advaxis, Inc., ImmunoCellular Therapeutics, Ltd., IMV Inc., Oxford BioMedica plc, Bavarian Nordic A/S, Celldex Therapeutics, Inc., and others, some of which have substantially greater financial, technical, sales, marketing, and human resources than we do. These companies might succeed in obtaining regulatory approval for competitive products more rapidly than we can for our products. In addition, competitors might develop technologies and products that are less expensive, safer or more effective than those being developed by us or that would render our technology obsolete. In addition, the pharmaceutical and biotechnology industry is characterized by rapid technological change. Because our research approach integrates many technologies, it may be difficult for us to remain current with the rapid changes in each technology. If we fail to stay at the forefront of technological change, we may be unable to compete effectively. Our competitors may render our technologies obsolete by advancing their existing technological approaches or developing new or different approaches.

Additionally, as we are developing IBIO-100 for Systemic scleroderma and for IPF we will face competition from several candidates that are either commercialized or in late-stage clinical trials. These candidates are sponsored by large, multinational biopharmaceutical companies with greater capital resources. Much like in the oncology space, we will compete with the likes of Roche, Boehringer Ingelheim, Gilead and BMS in big Pharma; while trying to beat out small biotechs such as Lung therapeutics, Veritex, and Horizon Therapeutics. These companies might succeed in obtaining regulatory approval for competitive products more rapidly than we can for our products. In addition, competitors might develop technologies and products that are less expensive, safer or more effective than those being developed by us or that would render our technology obsolete.

Specifically, with respect to the development of COVD-19 biopharmaceuticals, there are over 231 vaccines in various stages of development, and 612 therapeutics, according to the Biotechnology Innovation Organization. Several of those candidates are in late-stage clinical trials and are sponsored by large, multinational biopharmaceutical companies, some of whom have also received government funding. There are also a number of companies working to develop new drugs and other therapies for diseases of commercial interest to us that are undergoing various stages of testing including clinical trials. The key competitive factors affecting the success of our technologies for commercial product candidates are likely to be efficacy, safety profile, price, and convenience. We have competition with the first to market companies such as Pfizer, Moderna and AstraZeneca; while other big pharmaceuticals such as GSK and Sanofi continue to develop their late-stage drugs.

Research and Development

Our research and development functions are focused on the creation of new products and services, as well as enhancements to our existing offerings, both of which are necessary to maintain our competitive position. Our research and development activities take place primarily at our facilities in Bryan, Texas currently. However, iBio has subsequently announced it has leased lab and office space in San Diego for the purpose of conducting research.

Suppliers

We outsource certain functions and supplies to third parties such as Charles River Laboratories, Sartorius, Repligen, Cytiva, and Purolite. While we rely on our outsourcing partners to perform their contracted functions, we are continuing to build internal capabilities. Our suppliers are generally available to meet our demands and supply requirements, but our items are long lead time items that have been exacerbated by the current macro environment due to increased demand. We continue to mitigate the risks through inventory management, relationship management and evaluation of alternative sources when possible. Refer to Item 1A, "Risk Factors," for a description of risks associated with our reliance on suppliers and outsourcing partners.

Backlog

Our backlog consists primarily of orders for which we have entered into a Master Services Agreement with an accompanying Statement of Work ("SOW"). Our backlog was approximately $0.8 million as of June 30, 2021.

Government Regulation and Product Approval

Regulation by governmental authorities in the U.S. and other countries is a significant factor in the development, manufacturing and marketing of pharmaceutical drugs and vaccines.

U.S. Drug Approval Process

All of the vaccine and therapeutic products developed from our technologies will require regulatory approval by governmental agencies prior to commercialization. In particular, pharmaceutical drugs and vaccines are subject to rigorous preclinical testing and clinical trials and other pre-marketing approval requirements by the U.S. Food and Drug Administration ("FDA") and regulatory authorities in other countries. In the U.S., various federal, and, in some cases, state statutes and regulations, also govern or impact the manufacturing, safety, labeling, storage, record-keeping and marketing of vaccines and pharmaceutical products. The lengthy process of seeking required approvals and the continuing need for compliance with applicable statutes and regulations requires the expenditure of substantial resources. Regulatory approval, if and when obtained for any of our product candidates, may be limited in scope, which may significantly limit the indicated uses for which our product candidates may be marketed. Further, FDA approved vaccines and drugs are subject to ongoing oversight and discovery of previously unknown problems may result in restrictions on their manufacture, sale or use, or in their withdrawal from the market.

The process required by the FDA before a drug or biological product may be marketed in the United States generally involves the following:

- completion of pre-clinical laboratory tests and animal studies according to good laboratory practices ("GLP") and applicable requirements for the humane use of laboratory animals or other applicable regulations;
- submission to the FDA of an Investigational New Drug ("IND") application which must become effective before human clinical trials may begin;
- performance of adequate and well-controlled human clinical trials according to the FDA's regulations commonly referred to as good clinical practices ("GCPs") and any additional requirements for the protection of human research subjects and their health information, to establish the safety and efficacy of the proposed biological product for its intended use;
- submission to the FDA of a New Drug Application or NDA or Biologics License Application ("BLA") for marketing approval that meets applicable requirements to ensure the continued safety, purity, and potency of the product that is the subject of the NDA or BLA based on results of pre-clinical testing and clinical trials;

- satisfactory completion of an FDA pre-approval inspection of the manufacturing facility or facilities where the product candidates are produced, to assess compliance with cGMP, to assure that the facilities, methods and controls are adequate to preserve the product's identity, strength, quality and purity;

- potential FDA audit of the pre-clinical trial and clinical trial sites that generated the data in support of the NDA or BLA; and

- FDA review and approval of the NDA or licensure of the BLA.

Preclinical Tests

Before any product candidates with potential immunization or therapeutic value may be tested in human subjects, we must satisfy stringent government requirements for preclinical studies. Preclinical testing includes both *in vitro* and *in vivo* laboratory evaluation and characterization of the safety and efficacy of the product candidate. "*In vitro*" refers to tests conducted with cells in culture and "*in vivo*" refers to tests conducted in animals. The conduct of the preclinical tests must comply with federal regulations and requirements including GLP. Preclinical testing results obtained from studies in several animal species, as well as data from *in vitro* studies, are submitted to the FDA as part of an IND application and are reviewed by the FDA prior to the commencement of human clinical trials. These preclinical data must provide an adequate basis for evaluating both the safety and the scientific rationale for the initial clinical trials. In the case of vaccine candidates, animal immunogenicity and immune protection tests must establish a sound scientific basis to believe that the product candidate may be beneficial when administered to humans.

IND

An IND becomes effective automatically 30 days after receipt by the FDA unless the FDA raises concern or questions about the conduct of the clinical trials as outlined in the IND prior to that time. In such an event, the IND sponsor and the FDA must resolve any outstanding concerns before clinical trials may proceed. For additional information on the most recent FDA regulations and guidance on vaccine and therapeutic product testing and approval, visit its website at http://www.fda.gov. The FDA may also impose clinical holds on a product candidate at any time before or during clinical trials due to potential safety concerns or non-compliance. If the FDA imposes a clinical hold, trials may not recommence without FDA authorization and then only under terms authorized by the FDA. Accordingly, we cannot be sure that submission of an IND will result in the FDA allowing clinical trials to begin, or that, once begun, issues will not arise that suspend or terminate such trials.

Clinical Trails

Clinical trials involve the administration of the product candidate to healthy volunteers or patients under the supervision of qualified investigators, generally physicians not employed by or under the trial sponsor's control. Clinical trials are conducted under protocols detailing, among other things, the objectives of the clinical trial, dosing procedures, subject selection and exclusion criteria, and the parameters to be used to monitor subject safety, including stopping rules that assure a clinical trial will be stopped if certain adverse events should occur. Each protocol and any amendments to the protocol must be submitted to the FDA as part of the IND. Clinical trials must be conducted and monitored in accordance with the FDA's regulations composing the good clinical practice requirements, including the requirement that all research subjects provide informed consent. Further, each clinical trial must be reviewed and approved by an independent institutional review board, or IRB at or servicing each institution at which the clinical trial will be conducted. An IRB is charged with protecting the welfare and rights of trial participants and considers such items as whether the risks to individuals participating in the clinical trials are minimized and are reasonable in relation to anticipated benefits. The IRB also approves the form and content of the informed consent that must be signed by each clinical trial subject or his or her legal representative and must monitor the clinical trial until completed. Human clinical trials involving biological products are typically conducted in three sequential phases that may overlap or be combined:

- *Phase 1*. The biological product is initially introduced into a small number of closely monitored healthy human volunteers and tested for safety. In the case of some products for severe or life-threatening diseases, especially

when the product may be too inherently toxic to ethically administer to healthy volunteers, the initial human testing is often conducted in patients with the targeted disease.

- *Phase 2*. The biological product is evaluated in a limited patient population to identify possible adverse effects and safety risks, to preliminarily evaluate the efficacy of the product for specific targeted diseases and to determine dosage tolerance, optimal dosage and dosing schedule.

- *Phase 3*. Clinical trials generally enroll a large number of volunteers and are undertaken to further evaluate dosage, clinical efficacy, potency, and safety in an expanded patient population at geographically dispersed clinical trial sites. These clinical trials are intended to establish the overall risk to benefit ratio of the product and provide an adequate basis for product labeling.

During all phases of clinical development, regulatory agencies require extensive monitoring and auditing of all clinical activities, clinical data, and clinical trial investigators. Annual progress reports detailing the results of the clinical trials must be submitted to the FDA. Written IND safety reports must be promptly submitted to the FDA and the investigators for serious and unexpected adverse events, any findings from other studies, tests in laboratory animals or *in vitro* testing that suggest a significant risk for human subjects, or any clinically important increase in the rate of a serious suspected adverse reaction over that listed in the protocol or investigator brochure. The sponsor also must notify the FDA of any unexpected fatal or life-threatening suspected adverse reaction within seven calendar days after the sponsor's initial receipt of the information. Phase 1, Phase 2 and Phase 3 clinical trials may not be completed successfully within any specified period, if at all. The FDA or the sponsor or its data safety monitoring board may suspend or terminate a clinical trial at any time on various grounds, including a finding that the research subjects are being exposed to an unacceptable health risk. Similarly, an IRB can suspend or terminate approval of a clinical trial at its institution if the clinical trial is not being conducted in accordance with the IRB's requirements or if the biological product has been associated with unexpected serious harm to subjects.

Concurrently with clinical trials, companies usually complete additional studies and must also develop additional information about the physical characteristics of the biological product as well as finalize a process for manufacturing the product in commercial quantities in accordance with cGMP requirements. The manufacturing process must be capable of consistently producing quality batches of the product candidate and, among other criteria, the sponsor must develop methods for testing the identity, strength, quality, potency and purity of the final biological product. Additionally, appropriate packaging must be selected and tested, and stability studies must be conducted.

Many other countries in which iBio might choose to develop drugs or run clinical trials have similar rules and regulation. Although many of the issues discussed above with respect to the United States apply similarly in the context of the European Union or other foreign countries, the approval process varies between countries and jurisdictions and can involve additional product testing and additional administrative review periods. The time required to obtain approval in other countries and jurisdictions might differ from and be longer than that required to obtain FDA approval. Regulatory approval in one country or jurisdiction does not ensure regulatory approval in another, but a failure or delay in obtaining regulatory approval in one country or jurisdiction may negatively impact the regulatory process in others.

Overall potential risks:

Although we are still in preclinical stages, we potentially could have some risks associated with commercializing a product. These risks include but are not limited to:

- **NDA/BLA:**
    - Once clinical trials of a product candidate are completed, FDA approval of an NDA or BLA must be obtained before commercial marketing of the product. The NDA or BLA must include results of product development, laboratory and animal studies, human trials, information on the manufacture and composition of the product, proposed labeling and other relevant information. The FDA may grant deferrals for submission of data, or full or partial waivers. The testing and approval processes require substantial time and effort and there can be no assurance that the FDA will accept the NDA or BLA for filing and, even if filed, that any approval will be granted on a timely basis, if at all.

Post-Approval Requirements:

- Any products for which we receive FDA approvals will be subject to continuing regulation by the FDA, including, among other things, record-keeping requirements, reporting of adverse experiences with the product, providing the FDA with updated safety and efficacy information, product sampling and distribution requirements, and complying with FDA promotion and advertising requirements, which include, among others, standards for direct-to-consumer advertising, restrictions on promoting products for uses or in patient populations that are not described in the product's approved uses, known as 'off-label' use, limitations on industry-sponsored scientific and educational activities, and requirements for promotional activities involving the internet.

Other U.S. Healthcare Laws and Compliance Requirement

- In the United States, our activities are potentially subject to regulation by various federal, state and local authorities in addition to the FDA, including but not limited to, the Centers for Medicare & Medicaid Services, or CMS, other divisions of the U.S. Department of Health and Human Services, for instance the Office of Inspector General, the U.S. Department of Justice, or DOJ, and individual U.S. Attorney offices within the DOJ, and state and local governments. For example, research, sales, marketing and scientific/educational grant programs must comply with the anti-fraud and abuse provisions of the Social Security Act, the false claims laws, the physician payment transparency laws, the privacy and security provisions of HIPAA, as amended by Health Information Technology for Economic and Clinical Health Act ("HITECH"), and similar state laws, each as amended. Once commercialized, we could be liable to ensure full compliance with the law.

Coverage, Pricing and Reimbursement

- Significant uncertainty exists as to the coverage and reimbursement status of any product candidates for which we obtain regulatory approval. This is dictated by third-party payors' coverage, and establish adequate reimbursement levels for such products. The marketability of any product candidate for which we receive regulatory approval for commercial sale may suffer if the government and third-party payors fail to provide adequate coverage and reimbursement.

Foreign Regulation:

- In order to market any product outside of the United States, we would need to comply with numerous and varying regulatory requirements of other countries and jurisdictions regarding quality, safety and efficacy and governing, among other things, clinical trials, marketing authorization, commercial sales

and distribution of our products. Whether or not we obtain FDA approval for a product, we would need to obtain the necessary approvals by the comparable foreign regulatory authorities before we can commence clinical trials or marketing of the product in foreign countries and jurisdictions. Although many of the issues discussed above with respect to the United States apply similarly in the context of the European Union, the approval process varies between countries and jurisdictions and can involve additional product testing and additional administrative review periods. The time required to obtain approval in other countries and jurisdictions might differ from and be longer than that required to obtain FDA approval. Regulatory approval in one country or jurisdiction does not ensure regulatory approval in another, but a failure or delay in obtaining regulatory approval in one country or jurisdiction may negatively impact the regulatory process in others.

Orphan Drug Act

Under the Orphan Drug Act, the FDA may grant orphan designation to a drug or biologic intended to treat a rare disease or condition, which is generally a disease or condition that affects fewer than 200,000 individuals in the United States, and for which there is no reasonable expectation that the cost of developing and making available in the United States a drug for this type of disease or condition will be recovered from sales in the United States for that drug. Orphan drug designation must be requested before submitting an NDA or BLA. After the FDA grants orphan drug designation, the name of the sponsor, identity of the drug or biologic and its potential orphan use are disclosed publicly by the FDA. The orphan drug designation does not shorten the duration of the regulatory review or approval process, but does provide certain advantages, such as a waiver of Prescription Drug User Fee Act, or PDUFA, fees, enhanced access to FDA staff and potential waiver of pediatric research requirements.

If a product that has orphan drug designation subsequently receives the first FDA approval for the disease for which it has such designation, the product is entitled to orphan product exclusivity, which means that the FDA may not approve any other applications, including a full NDA, to market the same drug or biologic for the same indication for seven years, except in limited circumstances, such as a showing of clinical superiority to the product with orphan drug exclusivity. Orphan drug exclusivity does not prevent FDA from approving a different drug or biologic for the same disease or condition, or the same drug or biologic for a different disease or condition. Among the other benefits of orphan drug designation are tax credits for certain research and a waiver of the application user fee. A designated orphan drug may not receive orphan drug exclusivity if it is approved for a use that is broader than the indication for which it received orphan designation. In addition, exclusive marketing rights in the United States may be lost if the FDA later determines that the request for designation was materially defective or if the manufacturer is unable to assure sufficient quantities of the product to meet the needs of patients with the rare disease or condition.

Healthcare Regulations and Healthcare Reform

Healthcare regulation and pricing (included drug pricing) is complex, extensive, and dynamic around the world. In the United States and some foreign jurisdictions, there have been, and likely will continue to be, a number of legislative and regulatory changes and proposed changes regarding the healthcare system directed at broadening the availability of healthcare, improving the quality of healthcare, and containing or lowering the cost of healthcare. We expect that there will continue to be a number of federal and state proposals to implement government pricing controls and limit the growth of healthcare costs.

We cannot predict what healthcare reform initiatives may be adopted in the future. Further federal, state and foreign legislative and regulatory developments are likely, and we expect ongoing initiatives to increase pressure on drug pricing. Such reforms could have an adverse effect on anticipated revenues from product candidates and may affect our overall financial condition and ability to develop product candidates.

We anticipate that current and future U.S. legislative healthcare reforms may result in additional downward pressure on the price that we receive for any approved product, if covered, and could seriously harm our business. For example, it is possible that additional government action is taken in response to the COVID-19 pandemic. Any reduction in reimbursement from Medicare and other government programs may result in a similar reduction in payments from private payors.

CDMO Regulatory Requirements

iBio CDMO's operations are subject to a variety of environmental, health and safety laws and regulations, including those of the Environmental Protection Agency and equivalent local and state agencies. These laws and regulations govern, among other things, air emissions, wastewater discharges, the use, handling and disposal of hazardous substances and wastes, soil and groundwater contamination and employee health and safety. Any failure to comply with environmental, health and safety requirements could result in the limitation or suspension of production or monetary fines or civil or criminal sanctions, or other future liabilities. iBio CDMO is also subject to laws and regulations governing the destruction and disposal of raw materials and the handling and disposal of regulated material. In particular, we are subject to laws and regulations concerning research and development, testing, manufacturing processes, equipment and facilities, including compliance with current Good Manufacturing Practices ("cGMPs"), labeling and distribution, import and export, and product registration and listing. As a result, our facility is subject to regulation by the FDA, as well as regulatory bodies of other jurisdictions where our customers have marketing approval for their products.

Certain products manufactured by us involve the use, storage and transportation of toxic and hazardous materials. Our operations are subject to extensive laws and regulations relating to the storage, handling, emission, transportation and discharge of materials into the environment and the maintenance of safe working conditions. We maintain environmental and industrial safety and health compliance programs and training at our facilities. Prevailing legislation tends to hold companies primarily responsible for the proper disposal of their waste even after transfer to third party waste disposal facilities. Other future developments, such as increasingly strict environmental, health and safety laws and regulations, and enforcement policies, could result in substantial costs and liabilities to us and could subject the handling, manufacture, use, reuse or disposal of substances or pollutants at our facilities to more rigorous scrutiny than at present.

These regulatory requirements impact many aspects of our operations, including manufacturing, developing, labeling, packaging, storage, distribution, import and export and record keeping related to customers' products. Noncompliance with any applicable regulatory requirements can result in government refusal to approve facilities for manufacturing products or products for commercialization.

Human Capital/Employees

As of June 30, 2021 we had 18 employees in iBio and 57 employees in iBio CDMO, 49 of which are full time employees. Our employees are not represented by any union and are not the subject of a collective bargaining agreement. We consider our relations with our employees to be good. We believe that we will need to continue to add staff during Fiscal 2022 in order to meet our new growth objectives for Therapeutic, Vaccine, and Research & Bioprocess proprietary product development.

We believe that our success depends upon our ability to attract, develop, retain and motivate key personnel. Our management and scientific teams possess considerable experience in drug discovery, research and development, manufacturing, clinical and regulatory affairs, and iBio directly benefits from this experience and industry knowledge.

We anticipate that we will need to identify, attract, train and retain other highly skilled personnel to pursue our development program. Hiring for such personnel is competitive, and there can be no assurance that we will be able to retain our key employees or attract, assimilate or retain the qualified personnel necessary for the development of our business.

We have no collective bargaining agreements with our employees and have not experienced any work stoppages. We consider our relations with our employees to be good. Management believes that it has sufficient human capital to operate its business successfully currently and will need to attract new talent to the organization in order to achieve its plans for growth.

Competitive Pay and Benefits. Our compensation programs are designed to align the compensation of our employees with our performance and to provide the proper incentives to attract, retain and motivate employees to achieve superior results. The structure of our compensation programs balances incentive earnings for both short-term and long-term performance. Specifically:

- we provide employee wages that are competitive and consistent with employee positions, skill levels, experience, knowledge and geographic location;
- we engage nationally recognized outside compensation and benefits consulting firms to independently evaluate the effectiveness of our executive compensation and benefit programs and to provide benchmarking against our peers within the industry;
- we align our executives' long-term equity compensation with our shareholders' interests by linking realizable pay with stock performance;
- annual increases and incentive compensation are based on merit, which is communicated to employees at the time of hiring and documented through our talent management process as part of our annual review procedures and upon internal transfer and/or promotion; and
- commencing January 1, 2018, we established the iBio, Inc. 401(k) Plan. Eligible employees may participate in the 401(k) 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. We will make a 100% matching contribution that is not in excess of 5% of an eligible employee's compensation. In addition, we may make qualified non-elective contributions at our discretion.

Corporate Information

We were incorporated under the laws of the State of Delaware on April 17, 2008 under the name iBioPharma, Inc. We engaged in a merger with InB:Biotechnologies, Inc., a New Jersey corporation on July 25, 2008 and changed our name to iBio, Inc. on August 10, 2009.

Available Information

Our website address is www.ibioinc.com. We file Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, proxy statements and other materials with the Securities and Exchange Commission, or SEC. We are subject to the informational requirements of the Exchange Act and file or furnish reports, proxy statements and other information with the SEC. Such reports and other information filed by the Company with the SEC are available free of charge on our website at www.ibioinc.com. Information contained on, or that can be accessed through, our website is not incorporated by reference into this Annual Report on Form 10-K, and you should not consider information on our website to be part of this Annual Report on Form 10-K.

The SEC also maintains a website that contains reports, proxy and information statements and other information regarding issuers that file electronically with the SEC at www.sec.gov.

Item 1A. Risk Factors

Summary Risk Factors

Our business faces significant risks and uncertainties of which investors should be aware before making a decision to invest in our common stock. If any of the following risks are realized, our business, financial condition and results of operations could be materially and adversely affected. The following is a summary of the more significant risks relating to the Company. A more detailed description of our risk factors is set forth below under the caption "Details Risk Factors."

Risks Related to COVID-19

- We may continue to be impacted by the COVID-19 pandemic.

Risks Related to Our Financial Position and Need for Additional Capital

- We have incurred and expect to continue to incur significant losses.
- We anticipate that our expenses will increase in the future.
- We need additional funding to fully execute our business plan, which funding may not be available on commercially acceptable terms or at all.
- Raising additional capital may cause dilution to our existing stockholders and/or restrict our operations or rights.
- We have a limited operations as a CDMO and biopharmaceutical.
- Potential use of government funding for our R&D programs may impose requirements that limit our ability to take certain actions
- We may not have an adequate number of shares of common stock authorized to enable us to complete future equity financing transactions or strategic transactions, which may adversely affect our ability to grow and develop and may require us to rely on debt to fund our business plans.

Risks Related to the Development and Commercialization of Our Technologies and Product Candidates

- We currently have only four product candidates in early stages of pre-clinical development and are dependent on the success of these product candidates, which requires significant clinical testing before seeking regulatory approval.
- Our business could be significantly impacted if the products we manufacture do not gain market acceptance.
- There can be no guarantee that we will be able to successfully develop and commercialize product candidates.
- We may not be successful in our efforts to use iBio technologies to build a pipeline of product candidates.
- We or our clients, collaborators or licensees are dependent upon successful preclinical and clinical studies.
- If we, or our clients and collaborators, are not able to obtain required regulatory approvals, we, or our clients and collaborators, will not be able to commercialize our, or third-party, product candidates.
- Alternative technologies may supersede our technologies or make them noncompetitive.
- Our clinical product candidate may exhibit undesirable side effects, which may delay or preclude its development or regulatory approval, or limits use if ever approved.
- Our failure to receive or maintain regulatory approval for product candidates developed at our facility could negatively impact our revenue and profitability.
- Product liability lawsuits could cause us to incur substantial liabilities and to limit product commercialization.
- Any manufacturing problems at our facility could result in a delay or interruption in the supply of our clinical product.

Risks Related to Dependence on Third Parties

- If we are unable to establish new collaborations and maintain both new and existing collaborations, or if these collaborations are not successful, our business could be adversely affected.
- If third parties on whom we or our licensees will rely for the conduct of preclinical and clinical studies do not perform as required, we may not be able to obtain regulatory approval for or commercialize our product candidates.
- If revenue is concentrated on a few clients, we may be adversely impacted by the dependence upon those clients.
- Our inability to obtain such raw materials or supplies may adversely impact our business and results of operations.
- Any claims beyond our insurance coverage limits may result in substantial costs.
- We may be subject to various litigation claims and legal proceedings.

Risks Related to Intellectual Property

- If we or our licensors are unable to obtain and maintain sufficient patent protection for our technology and products, our ability to successfully commercialize our technology and products may be impaired.
- We may become involved in lawsuits to protect or enforce our patents or other intellectual property, which could be expensive, time-consuming and ultimately unsuccessful.

- Failure to comply with our obligations in the agreements under which we license intellectual property rights from third parties could result in a loss or intellectual property rights.
- Patent terms may be inadequate to protect our competitive position for an adequate amount of time.
- If we are unable to protect our trade secrets, our business and competitive position would be harmed.
- We may be subject to claims challenging the inventorship of our patent filings and other intellectual property.
- Intellectual property rights do not necessarily address all potential threats to our competitive advantage.
- We may not be able to protect our intellectual property rights throughout the world.
- If we should fail to comply with various patents laws, our patent protection could be reduced or eliminated.
- Changes in patent law could increase the uncertainties and costs surrounding the prosecution of our patent applications and the enforcement or defense of our issued patents.

Risks Related to iBio's Operations

- Our operating results will be adversely affected if we are unable to maximize our facility capacity utilization.
- A failure by iBio to hire and retain an appropriately skilled and adequate workforce could adversely impact the ability of the facility to operate and function efficiently.
- If we are unable to provide quality and timely offerings, our business and results of operations could suffer.
- Failure to comply with regulatory requirements could adversely affect our business and results of operations.
- If we are unable to provide quality and timely services to our customers, our business could suffer
- We may be unable to manage our future growth effectively, which could make it difficult to execute our business strategy.
- If we are unable to protect the confidentiality of our customers' proprietary information, we may be subject to claims.
- We rely on third parties to supply the raw materials needed to operate our CDMO business and our research and development activities and do not have any long-term commitments from such suppliers.
- If we acquire companies, products or technologies, we may face integration risks and costs associated with those acquisitions that could negatively impact our business, results from operations and financial condition.
- We depend on key personnel and the loss of key personnel could harm our business and results of operations.
- We rely extensively on our information technology systems and are vulnerable to damage and interruption.

Risks Relating to Our Common Stock

- We are subject to compliance under the NYSE American continued listing standards of the NYSE American Company Guide, the failure of which can result in our delisting from the NYSE American.
- Provisions in our certificate of incorporation, bylaws and under Delaware law could discourage a takeover that stockholders may consider favorable.
- We do not anticipate paying cash dividends for the foreseeable future.
- The issuance of preferred stock could adversely affect the rights of the holders of shares of our common stock.
- The market price of our common stock has been and may continue to be volatile.
- Reports published by securities or industry analysts, could adversely affect our common stock price and trading volume.
- We are subject to reduced disclosure requirements applicable to smaller reporting companies.
- If we fail to maintain an effective system of internal control over financial reporting, we may not be able to accurately report our financial results or prevent fraud.

Detailed Risk Factors:

Our business faces many risks. Past experience may not be indicative of future performance, and as noted elsewhere in this Annual Report on Form 10-K, we have included forward-looking statements about our business, plans and prospects that are subject to change. Forward-looking statements are particularly located in, but not limited to, the sections "Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations." In addition to the other risks or uncertainties contained in this Annual Report, the risks described below may affect our operating results, financial condition and cash flows. If any of these risks occur, either alone or in combination with other factors, our business, financial condition or operating results could be adversely affected and the trading price of our common stock may decline. Moreover, readers should note this is not an exhaustive list of the risks we face; some risks are unknown or not quantifiable, and other risks that we currently perceive as immaterial may ultimately prove more significant than expected. Statements about plans, predictions or expectations should not be construed to be assurances of performance or promises to take a given course of action.

COVID-19

We may continue to be impacted by the COVID-19 pandemic.

As a result of the pandemic, we have at times experienced reduced capacity to provide CDMO services as a result of instituting social distancing at work requirements in our Texas facility, restricting access to essential workers, as well as taking other precautions. We also experienced a full three-day operational shutdown in April 2020 for extensive facility cleaning following the discovery that an employee had contracted COVID-19, and successfully resumed operations on a reduced capacity basis. In addition, in order to avoid shortages of raw materials and other supplies experienced by other manufacturers we have increased our inventory of such materials; however, there can be no assurance that we will be able to avoid supply chain shortages in the future. Although, to date our operations have not been materially adversely impacted by the COVID-19 pandemic and we do not currently anticipate operational difficulties due to the pandemic, the risk exists that further COVID-19 developments may negatively impact our operations if we should suffer supply chain shortages, absenteeism of workers or facility shutdowns due to the pandemic. Governmental restrictions, including travel restrictions, quarantines, shelter-in-place orders, business closures, new safety requirements or regulations, or restrictions on the import or export of certain materials, or other operational issues related to the COVID-19 pandemic may have an adverse effect on our business and results of operations. The evolving nature of the circumstances is such that it is impossible, at this stage, to determine the full and overall impact the COVID-19 pandemic may have, but it could further disrupt production and cause delays in the supply and delivery of products used in our operations, adversely affect our employees and disrupt our operations and manufacturing activities, all of which may have a material adverse effect on our business. We have ascertained that certain risks associated with further COVID-19 developments may adversely impact our operations and liquidity, and our business and share price may also be affected by the COVID-19 pandemic. However, we do not anticipate any significant threat to our operations at this point in time. Due to the general unknown nature surrounding the crisis, we cannot reasonably estimate the potential for any future impacts on our operations or liquidity.

In addition, we are developing vaccine for COVID. There is no assurance that our activities relating to the development of intellectual property in the field of vaccine candidate development for the SARS-CoV-2 virus, will result in the development of any successful product candidates or generate any proceeds or that we will be able to develop a vaccine in time for its use. These efforts are subject to the risks relating to the development and commercialization of our technologies and product candidates, risks relating to our intellectual property and other risks relating to our operations described in this Annual Report.

Risks Related to Our Financial Position and Need for Additional Capital

We have incurred significant losses since our inception. We expect to incur losses during our next fiscal year 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 net loss attributable to iBio Inc. was approximately $23.2 million and $16.4 million for 2021 and 2020, respectively. As of June 30, 2021, we had an accumulated deficit of approximately $173.6 million.

To date, we have financed our operations primarily through the sale of common stock, preferred stock and warrants. We have devoted substantially all of our efforts to research and development, including the development and validation of our technologies, our CDMO facilities, and the development of a proprietary therapeutic product against fibrosis and COVID-19 vaccines based upon our technologies. 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 product candidates; and
- add operational, financial and management information systems and personnel, including personnel to support our product development and manufacturing efforts.

Our profitability in large part depends on our four research and development programs and our ability to successfully develop and commercialize our product candidates and to a lesser extent, our ability to generate revenue from our iBio CDMO services. 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.

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.

We anticipate that our expenses will increase in the future.

We expect our research and development expenses to increase significantly as our product candidates advance in clinical development, and as we add more employees. As part of the regulatory process, we must conduct clinical trials for each product candidate to demonstrate safety and efficacy to the satisfaction of the FDA and other regulatory authorities. The number and design of the clinical trials that will be required varies depending upon product candidate, the condition being evaluated and the trial results themselves. Therefore, it is difficult to accurately estimate the cost of the clinical trials. Clinical trials are very expensive and difficult to design and implement, in part because they are subject to rigorous regulatory requirements. The clinical trial process is also time consuming. We estimate that clinical trials of our product candidates will take at least several years to complete. Because of numerous risks and uncertainties involved in our business, the timing or amount of increased development expenses cannot be accurately predicted, and our expenses could increase beyond expectations if we are required by the FDA, or comparable non-U.S. regulatory authorities, to perform studies or clinical trials in addition to those we currently anticipate. We anticipate that further product development is also expected to increase expenses, including but not limited to the expected initiation of IND-enabling studies of IBIO-100 and IBIO-101 in fiscal 2022 and the additional studies that will be required to support development of IBIO-400 for which we recently submitted an Outline of Production and facility documentation to the U.S. Department of Agriculture. Furthermore, failure can occur at any stage of the trials, and we could encounter problems that cause us to abandon or repeat clinical trials.

In addition, as we expand our business, we will need to retain additional employees with the necessary skills including employees for our planned establishment of drug discovery capabilities in San Diego, California. In addition, to achieve our objectives we expect to add additional employees which is expected to significantly add to our fixed costs.

Even if any of our product candidates are approved for commercial sale, we anticipate incurring significant costs associated with the commercial launch of and the related commercial-scale manufacturing requirements for our product candidates. As a result, we expect to continue to incur significant and increasing operating losses and negative cash flows for the foreseeable future. Because of the numerous risks and uncertainties associated with biopharmaceutical product development and commercialization, we are unable to accurately predict the timing or amount of future expenses or when, or if, we will be able to achieve or maintain profitability. These losses have had and will continue to have an adverse effect on our financial position and working capital.

We need additional funding to fully execute our business plan, which funding may not be available on commercially acceptable terms or at all. If we are unable to raise capital when needed, we may be forced to delay, reduce or eliminate the commercialization of our development and manufacturing services and efforts for our product development programs.

We will need additional capital to fully implement our current long-term business, operating and development plans. To the extent that we initiate or continue clinical development without securing collaborator or licensee funding, our research and development expenses could increase substantially.

When we elect to raise additional funds or additional funds are required, we may raise such funds from time to time through public or private equity offerings, debt financings, corporate collaboration and licensing arrangements or other financing alternatives. Additional equity or debt financing or corporate collaboration and licensing arrangements may not be available on acceptable terms, if at all. We currently have no committed sources of funding. On November 25, 2020, we 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 (the "Sales Agent"). There can be no assurance that we will meet the requirements to be able to sell securities pursuant to the Sales Agreement, of if we meet the requirements that we will be able to raise sufficient funds on favorable terms. If we are unable to raise capital in sufficient amounts when needed or on attractive terms, we would be forced to delay, reduce or eliminate our research and development programs or commercialization efforts and our ability to generate revenues and achieve or sustain profitability will be substantially harmed.

Given that our total cash and investments in debt securities as of June 30, 2021 was approximately $97.0 million, we believe we have adequate cash to support our current operations. We plan to fund our future business operations using cash on hand, through proceeds realized in connection with the commercialization of our technologies and proprietary products (which is not anticipated to be generated, if ever, in the near future), license and collaboration arrangements and the operation of iBio CDMO, and through proceeds from the sale of additional equity or other securities. We cannot be certain that such funding will be available on favorable terms or available at all. To the extent that we raise additional funds by issuing equity securities, our stockholders may experience significant dilution.

We have based this projection on assumptions that may prove to be wrong, in which case we may deplete our cash resources sooner than we currently anticipate. Our future capital requirements will depend on many factors, including:

- our ability to further obtain and retain developmental, manufacturing and facility build-out and technology transfer opportunities at iBio CDMO;
- the ability to generate and increase third-party client sales and realized revenue at iBio CDMO;
- our ability to attract additional licensees or other third parties willing to fund development and, if successful, commercialization of product candidates;
- the costs, timing and regulatory review of our own product candidates and preclinical and clinical trials;
- the costs of preparing, filing and prosecuting patent applications and maintaining, enforcing and defending intellectual property-related claims; and

- the extent to which we acquire or invest in businesses, products and technologies.

If we are unable to raise funds when required or on favorable terms, this assumption may no longer be operative, and we may have to: a) significantly delay, scale back, or discontinue the product application and/or commercialization of our proprietary technologies; 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; or d) possibly cease operations.

We may not have an adequate number of shares of common stock authorized to enable us to complete future equity financing transactions or strategic transactions, which may adversely affect our ability to grow and develop.

We are authorized to issue 275,000,000 shares of common stock, of which approximately 217,873,094 shares of common stock were issued and outstanding as June 30, 2021. At June 30, 2021, 35.3 million common shares were reserved for issuance of shares upon exercise of outstanding options or reserved for future issuance of common shares under our equity incentive plans. If all of these securities were exercised it would leave 21.8 million authorized but unissued shares of common stock.

As a result of our limited number of our authorized and unissued shares of common stock, we may have insufficient shares of common stock available to issue in connection with any future equity financing transactions or strategic transactions we may seek to undertake. Accordingly, we will likely take steps in the near future to increase our number of available shares, which may include seeking stockholder approval of an increase in our authorized number of shares of common stock or a reverse stock split. At our annual meeting of stockholders held on December 9, 2020, we sought but did not obtain approval of an increase in our authorized number of shares of common stock from 275,000,000 to 425,000,000. There can be no assurance that we will be successful in seeking approval for such actions. If not, we may need to rely on debt for growth capital or take other steps necessary to raise capital or reduce operations.

Raising additional capital may cause dilution to our existing stockholders, restrict our operations or require us to relinquish rights to our technologies or product candidates.

Until such time as we can generate substantial development, manufacturing, license or product revenues, we expect to finance our cash needs through a combination of equity offerings, collaborations, strategic alliances, service contracts, manufacturing contracts, facility build-out and technology transfer contracts, licensing and other arrangements. Sources of funds may not be available or, if available, may not be available on terms satisfactory to us.

If we raise additional funds by issuing equity securities, our stockholders will experience dilution. Debt financing, if available, would result in increased fixed payment obligations and may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends. Any debt financing or additional equity that we raise may contain terms, such as liquidation and other preferences, which are not favorable to us or our stockholders. If we raise additional funds through collaboration and licensing arrangements with third parties, it may be necessary to relinquish valuable rights to our technologies, future revenue streams, research programs or product candidates or to grant licenses on terms that may not be favorable to us. Should the financing we require to sustain our working capital needs be unavailable or prohibitively expensive when we require it, our business, operating results, financial condition and prospects could be materially and adversely affected and we may be unable to continue our operations.

To the extent that we raise additional capital through a public or private offering and sale of equity securities, your ownership interest will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect your rights as a stockholder. We are authorized to issue 275,000,000 shares of common stock, of which at June 30, 2021, approximately 217,873,094 shares of common stock were issued and outstanding and 35,330,000 common shares were reserved for issuance of shares upon exercise of outstanding options or reserved for future issuance of common shares under our equity incentive plans. If all of these securities were exercised it would leave 21.8 million authorized but unissued shares of common stock. Accordingly, we will be able to issue up to approximately 21.8 million additional shares of common stock and 999,999 shares of preferred stock based on our current authorized number of shares

of common stock. Sales of our common stock offered through current or future equity offerings may result in substantial dilution to our stockholders. 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.

We have a limited operating history conducting commercial activities as a CDMO and developing vaccines and therapeutics, which may limit the ability of investors to make an informed investment decision.

We commenced independent operations in 2008, and our operations to date have included organizing and staffing our company, business planning, raising capital, acquiring and developing our proprietary technologies, recommissioning and operating our CDMO facility, identifying potential product candidates and undertaking, through third parties, preclinical trials and clinical trials of product candidates derived from our technologies. Commercial activities at our CDMO facility commenced in January 2016 with the large majority of our early efforts directed towards recommissioning the facility to help meet cGMP manufacturing standards and provisions for iBio's core service offerings. During the past year, we shifted our focus away from generating revenue as a CDMO service provider to the development of vaccines and therapeutics for commercialization. The current vaccines and therapeutics being developed are all in preclinical development. Certain vaccine candidates using iBio's technologies have previously been evaluated by other organizations in Phase 1 clinical trials; however, all of our vaccine and therapeutic protein product candidates are still in preclinical development. Neither we nor our collaborators have completed any other clinical trials for any vaccine or therapeutic protein product candidate produced using iBio technology. As a result, we have not yet demonstrated our ability to successfully complete any Phase 2 or pivotal clinical trials, obtain regulatory approvals, manufacture a commercial scale product, or arrange for a third party to do so on our behalf, or conduct sales and marketing activities necessary for successful product commercialization. Consequently, any conclusion you reach about our future success or viability may not be as predictive as it might be if we had a longer operating history.

Even if we receive regulatory approval for the sale of any of our product candidates, we do not know when we will begin to generate significant revenue from such product candidates, if at all. Our ability to generate revenue depends on a number of factors, including our ability to:

- set an acceptable price for our products and obtain coverage and adequate reimbursement from third-party payors;
- establish sales, marketing, manufacturing and distribution systems; add operational, financial and management information systems and personnel, including personnel to support our clinical, manufacturing and planned future clinical development and commercialization efforts and operations as a public company;
- manufacture commercial quantities of product candidates at acceptable cost levels;
- achieve broad market acceptance of our product candidates in the medical community and with third-party payors and consumers;
- attract and retain an experienced management and advisory team;
- launch commercial sales of our products, whether alone or in collaboration with others; and
- maintain, expand and protect our intellectual property portfolio.

Because of the numerous risks and uncertainties associated with development and manufacturing, we are unable to predict if we will generate significant revenue. If we cannot successfully execute on any of the factors listed above, our business may not succeed, and we may never generate significant revenue.

Any government funding for our R&D programs may impose requirements that limit our ability to take certain actions, and subject us to potential financial penalties, which could materially and adversely affect our business, financial condition and results of operations.

We have applied for government grants to support some of our research and development activities for our product candidates. Often government grants include provisions that reflect the government's substantial rights and remedies, many of which are not typically found in commercial contracts, including powers of the government to potentially require repayment of all or a portion of the grant award proceeds, in certain cases with interest, in the event we violate certain covenants pertaining to various matters.

Risks Related to the Development and Commercialization of Our Technologies and Product Candidates

We currently have only four product candidates in early stages of pre-clinical development and are dependent on the success of these product candidates, which requires significant clinical testing before seeking regulatory approval. If our product candidates do not receive regulatory approval or are not successfully commercialized, our business may be harmed.

We are currently in preclinical development of seven product candidates as potential treatments for fibrosis, oncology, COVID-19 and a veterinary vaccine for swine fever. It is possible that we may never be able to develop a marketable product candidate.

We expect that a substantial portion of our efforts and expenditures over the next few years will be devoted to these product candidates. Accordingly, our business currently depends heavily on the successful development, regulatory approval and commercialization of these product candidates, which may not receive regulatory approval or be successfully commercialized even if regulatory approval is received. The research, testing, manufacturing, labeling, approval, sale, marketing and distribution of product candidates are and will remain subject to extensive regulation by the FDA and other regulatory authorities in the United States and other countries that each have differing regulations. We are not permitted to market any product in the United States unless and until we receive approval from the FDA, or in any foreign countries unless and until we receive the requisite approval from regulatory authorities in such countries. We have never submitted an NDA or BLA to the FDA or comparable applications to other regulatory authorities and do not expect to be in a position to do so for the foreseeable future. Obtaining approval of an NDA or BLA is an extensive, lengthy, expensive, and inherently uncertain process, and the FDA may delay, limit or deny approval of its product for many reasons.

Because we have limited financial and managerial resources, our focus is limited to the development of our four product candidates. As a result, we may forego or delay pursuit of opportunities with other technologies or product candidates that later prove to have greater commercial potential. Our resource allocation decisions may cause us to fail to capitalize on viable commercial products or profitable market opportunities. Our spending and the spending of our clients and collaborators may not yield any commercially viable products.

We have based our research and development efforts largely on our technologies and product candidates derived from such technologies. Notwithstanding our large investment to date and anticipated future expenditures in these technologies, we have not yet developed, and may never successfully develop, any marketed products using these technologies. As a result, we may fail to address or develop product candidates based on other scientific approaches that may offer greater commercial potential or for which there is a greater likelihood of success.

We also may not be successful in our efforts to identify or discover additional product candidates using our technologies. Research programs to identify new product candidates require substantial technical, financial, and human resources. These research programs may initially show promise in identifying potential product candidates yet fail to yield product candidates for clinical development.

Our business, financial condition, and results of operations could be significantly impacted if the products we manufacture for our customers do not gain market acceptance.

If the products we manufacture for our customers do not gain market acceptance or production volumes of key products that we manufacture for our customers decline, our financial condition and results of operations may be adversely affected. We depend on, and have no control over, market acceptance for the products we manufacture for our customers. Consumer demand for our customers' products could be adversely affected by, among other things, delays in securing regulatory approvals, the emergence of competing or alternative products, including generic drugs, the loss of patent and other intellectual property rights protection, reductions in private and government payment product subsidies or changing product marketing strategies.

We expect that continued changes to the healthcare industry, including ongoing healthcare reform, changes in government or private funding of healthcare products and services, legislation or regulations governing the delivery, pricing or reimbursement of pharmaceuticals and healthcare services or mandated benefits, could cause healthcare industry participants to purchase fewer services from us or influence the price that others are willing to pay for our services. Changes in the healthcare industry's pricing, selling, inventory, distribution or supply policies or practices could also significantly reduce our revenue and profitability.

We may expend our limited resources to pursue a particular technology or product candidate and fail to capitalize on technologies or product candidates that may be more profitable or for which there is a greater likelihood of success.

Because we have limited financial and managerial resources, we focus on specific product candidates derived from or enhanced by our technologies or that have been identified and partially developed by our clients or collaborators. As a result, we may forego or delay pursuit of opportunities with other technologies or product candidates that later prove to have greater commercial potential. Our resource allocation decisions may cause us to fail to capitalize on viable commercial products or profitable market opportunities. Our spending and the spending of our clients and collaborators may not yield any commercially viable products.

We have based our research and development efforts largely on our technologies and product candidates derived from such technologies. Notwithstanding our large investment to date and anticipated future expenditures in these technologies, we have not yet developed, and may never successfully develop, any marketed products using these technologies. As a result, we may fail to address or develop product candidates based on other scientific approaches that may offer greater commercial potential or for which there is a greater likelihood of success.

We also may not be successful in our efforts to identify or discover additional product candidates using our technologies. Research programs to identify new product candidates require substantial technical, financial, and human resources. These research programs may initially show promise in identifying potential product candidates yet fail to yield product candidates for clinical development.

If we do not accurately evaluate the commercial potential or target market for a particular product candidate, we may relinquish valuable rights to that product candidate through collaboration, licensing or other royalty arrangements on terms less favorable to us than possible.

We, our clients and collaborators, are very early in our development efforts. If we or our clients and collaborators are unable to successfully develop and commercialize product candidates or experience significant delays in doing so, our business will be materially harmed.

Excepting a limited number of vaccine candidates that have been evaluated in completed Phase 1 clinical trials, all of our other vaccine and therapeutic protein product candidates are still in preclinical development. Our ability to generate product sales revenues for our own products, which we do not expect will occur for many years, will depend heavily on

the successful development and eventual commercialization of our product candidates. The success of our product candidates will depend on several factors, including the following:

- completion of preclinical studies and clinical trials with positive results;
- receipt of marketing approvals from applicable regulatory authorities;
- obtaining and maintaining patent and trade secret protection and regulatory exclusivity, which may exceed patent exclusivity, for our product candidates;
- making arrangements with third-party manufacturers for commercial manufacturing capabilities;
- launching commercial sales of our products, if and when approved, whether alone or in collaboration with others;
- successfully maintaining existing collaborations and entering into new ones throughout the development process as appropriate, from preclinical studies through to commercialization;
- acceptance of the products, if and when approved, by patients, the medical community and third-party payors;
- effectively competing with other products;
- obtaining and maintaining coverage and adequate reimbursement by third-party payors, including government payors, for any products we successfully develop;
- protecting our rights in our intellectual property portfolio; and
- maintaining a continued acceptable safety profile of the products following approval.

If we or our collaborators do not achieve one or more of these factors in a timely manner or at all, we could experience significant delays or an inability to successfully develop and commercialize our product candidates, which would materially harm our business.

We may not be successful in our efforts to use iBio technologies to build a pipeline of product candidates and develop marketable products.

While we believe that data we and our collaborators have obtained from preclinical studies and Phase I clinical trials of iBio technology-derived and iBio technology-enhanced product candidates has validated these technologies, our technologies have not yet, and may never lead to, approvable or marketable products. Even if we are successful in further validating our technologies and continuing to build our pipeline, the potential product candidates that we identify may not be suitable for clinical development for many possible reasons, including harmful side effects, limited efficacy or other characteristics that indicate that such product candidates are unlikely to be products that will receive marketing approval and achieve market acceptance. If we and our collaborators do not successfully develop and commercialize product candidates based upon our technologies, we will not obtain product or collaboration revenues in future periods, which likely would result in significant harm to our financial position and adversely affect our stock price.

Neither we nor our clients, collaborators or licensees will be able to commercialize product candidates based on our technologies and services if preclinical studies do not produce successful results or clinical trials do not demonstrate safety and efficacy in humans.

Preclinical and clinical testing is expensive, difficult to design and implement, can take many years to complete and has an uncertain outcome. Success in preclinical testing and early clinical trials does not ensure that later clinical trials will be successful, and interim results of a clinical trial do not necessarily predict final results. We and our licensees may

experience numerous unforeseen events during, or as a result of, preclinical testing and the clinical trial process that could delay or prevent the commercialization of product candidates based on our iBio technologies, including the following:

- Preclinical or clinical trials may produce negative or inconclusive results, which may require additional preclinical testing, additional clinical trials or the abandonment of projects that we expect to be promising. For example, promising animal data may be obtained about the anticipated efficacy of a therapeutic protein product candidate and then human tests may not result in such an effect. In addition, unexpected safety concerns may be encountered that would require further testing even if the therapeutic protein product candidate produced an otherwise favorable response in human subjects.

- Initial clinical results may not be supported by further or more extensive clinical trials. For example, a licensee may obtain data that suggest a desirable immune response from a vaccine candidate in a small human study, but when tests are conducted on larger numbers of people, the same extent of immune response may not occur. If the immune response generated by a vaccine is too low or occurs in too few treated individuals, then the vaccine will have no commercial value.

- Enrollment in our or our licensee's clinical trials may be slower than projected, resulting in significant delays. The cost of conducting a clinical trial increases as the time required to enroll adequate numbers of human subjects to obtain meaningful results increases. Enrollment in a clinical trial can be a slower-than-anticipated process because of competition from other clinical trials, because the study is not of interest to qualified subjects, or because the stringency of requirements for enrollment limits the number of people who are eligible to participate in the clinical trial.

- We or our licensees might have to suspend or terminate clinical trials if the participating subjects are being exposed to unacceptable health risks. Animal tests do not always adequately predict potential safety risks to human subjects. The risk of any candidate product is unknown until it is tested in human subjects, and if subjects experience adverse events during the clinical trial, the trial may have to be suspended and modified or terminated entirely.

- Regulators or institutional review boards may suspend or terminate clinical research for various reasons, including safety concerns or noncompliance with regulatory requirements.

- Any regulatory approval ultimately obtained may be limited or subject to restrictions or post-approval commitments that render the product not commercially viable.

- The effects of iBio technology-derived or iBio technology-enhanced product candidates may not be the desired effects or may include undesirable side effects.

Significant clinical trial delays could allow our competitors to bring products to market before we or our licensees do and impair our ability to commercialize our technologies and product candidates based on our technologies. Poor clinical trial results or delays may make it impossible to license a product candidate, or reduce its attractiveness to prospective licensees, so that we will be unable to successfully develop and commercialize such a product candidate.

Clinical trials are risky, lengthy, and expensive. We will incur substantial expense for, and devote significant time and resources to, preclinical testing and clinical trials, yet we cannot be certain that these tests and trials will demonstrate that a product candidate is effective and well-tolerated or will ever support its approval and commercial sale. For example, clinical trials require adequate supplies of clinical trial material and sufficient patient enrollment to power the trial. Delays in patient enrollment can result in increased costs and longer development times. Even if we, or a licensee or collaborator, if applicable, successfully complete clinical trials for our clinical product candidate, we or they might not file the required regulatory submissions in a timely manner and may not receive marketing approval for the clinical product candidate. We cannot assure you that our clinical product candidate will successfully progress further through the drug development process or will ultimately result in an approved and commercially viable product.

If we, or our clients and collaborators, are not able to obtain, or if there are delays in obtaining, required regulatory approvals, we, or our clients and collaborators, will not be able to develop or commercialize our, or third-party, product candidates or will not be able to do so as soon as anticipated, and our ability to generate revenue will be materially impaired.

Our product candidates and the activities associated with their development and commercialization, including their design, testing, manufacture, safety, efficacy, recordkeeping, labeling, storage, approval, advertising, promotion, sale and distribution, are subject to comprehensive regulation by the FDA and by similar regulatory authorities outside the United States. Failure to obtain marketing approval for a product candidate will prevent us from commercializing the product candidate. We have not received approval to market any of our product candidates from regulatory authorities in any jurisdiction. We have only limited experience in filing and supporting the applications necessary to gain marketing approvals and expect to rely on third parties to assist us in this process. Securing marketing approval requires the submission of extensive preclinical and clinical data and supporting information to regulatory authorities for each therapeutic indication to establish the product candidate's safety and efficacy. Securing marketing approval also requires the submission of information about the product manufacturing process to, and inspection of manufacturing facilities by, the regulatory authorities. Our product candidates may not be effective, may be only moderately effective or may prove to have undesirable or unintended side effects, toxicities or other characteristics that may preclude our obtaining marketing approval or prevent or limit commercial use. If any of our product candidates receives marketing approval, the accompanying label may limit the approved use in such a restrictive manner that it is not possible to obtain commercial viability for such product.

The process of obtaining marketing approvals, both in the United States and abroad, is expensive and may take many years. If additional clinical trials are required for certain jurisdictions, these trials can vary substantially based upon a variety of factors, including the type, complexity and novelty of the product candidates involved, and may ultimately be unsuccessful. Changes in marketing approval policies during the development period, changes in or the enactment of additional statutes or regulations, or changes in regulatory review process for each submitted product application, may cause delays in the review and approval of an application. Regulatory authorities have substantial discretion in the approval process and may refuse to accept a marketing application as deficient or may decide that our data is insufficient for approval and require additional preclinical, clinical or other studies. In addition, varying interpretations of the data obtained from preclinical and clinical testing could delay, limit or prevent marketing approval of a product candidate. Any marketing approval we ultimately obtain may be limited or subject to restrictions or post-approval commitments that render the approved product not commercially viable.

Although the FDA and other regulatory authorities have approved plant-based therapeutics in the past, consistent with the oversight of all products, the FDA is monitoring whether these plant-based therapeutics pose any health and human safety risks. While they have not issued any regulation to date that is averse to plant-based vaccines or therapeutics, it is possible that the FDA and other regulatory authorities could issue regulations in the future that could adversely affect our product candidates.

If we experience delays in obtaining approval or if we fail to obtain approval of our product candidates, the commercial prospects for our product candidates may be harmed and our ability to generate revenues will be materially impaired.

Any product candidate for which we obtain marketing approval, along with the manufacturing processes, post-approval clinical data, labeling, packaging, distribution, adverse event reporting, storage, recordkeeping, export, import, advertising and promotional activities for such product candidate, among other things, will be subject to extensive and ongoing requirements of and review by the FDA and other regulatory authorities. These requirements include submissions of safety, efficacy and other post-marketing information and reports, establishment registration and drug listing requirements, continued compliance with current Good Manufacturing Practice, or cGMP, requirements relating to manufacturing, quality control, quality assurance and corresponding maintenance of records and documents, requirements regarding the distribution of samples to physicians and recordkeeping and current GCP requirements for any clinical trials that we conduct post-approval. Even if marketing approval of a product candidate is granted, the approval may be subject to limitations on the indicated uses for which the product candidate may be marketed or to the conditions of approval. If our clinical product candidate receives marketing approval, the accompanying label may limit the approved use of our product, which could limit sales.

Alternative technologies may supersede our technologies or make them noncompetitive, which would harm our ability to generate future revenue.

The manufacture of biologics and the methods of such manufacture are intensely competitive fields. Each of these fields is characterized by extensive research efforts, which result in rapid technological progress that can render existing technologies obsolete or economically noncompetitive. If our competitors succeed in developing more effective technologies or render our technologies obsolete or noncompetitive, our business will suffer. Many universities, public agencies and established pharmaceutical, biotechnology, and other life sciences companies with substantially greater resources than we have are developing and using technologies and are actively engaging in the development of products similar to or competitive with our technologies and products. To remain competitive, we must continue to invest in new technologies and improve existing technologies. To make such renewing investment we will need to obtain additional financing. If we are unable to secure such financing, we will not have sufficient resources to continue such investment. In addition, they also have significantly greater experience in the discovery and development of products, as well as in obtaining regulatory approvals of those products in the United States and in foreign countries. Our current and potential future competitors also have significantly more experience commercializing drugs that have been approved for marketing. Mergers and acquisitions in the pharmaceutical and biotechnology industries could result in even more resources being concentrated among a small number of our competitors.

Our competitors may devise methods and processes for protein expression that are faster, more efficient or less costly than that which can be achieved using iBio technologies. There has been and continues to be substantial academic and commercial research effort devoted to the development of such methods and processes. If successful competitive methods are developed, it may undermine the commercial basis for iBio products and our technologies and related services.

For our cancer product candidates, not only do we compete with companies engaged in various cancer treatments including radiotherapy and chemotherapy, but we also compete with various companies that have developed or are trying to develop immunology vaccines for the treatment of cancer. Certain of our competitors have substantially greater capital resources, large customer bases, broader product lines, sales forces, greater marketing and management resources, larger research and development staffs with extensive facilities and equipment than we do and have more established reputations as well as global distribution channels. Our most significant competitors, among others, are fully integrated pharmaceutical companies such as Eli Lilly and Company, Bristol-Myers Squibb Company, Merck & Co., Inc., Novartis AG, MedImmune, LLC (a wholly owned subsidiary of AstraZeneca plc), Johnson & Johnson, Pfizer Inc., MerckKGaA and Sanofi SA, and more established biotechnology companies such as Genentech, Inc. (a member of the Roche Group), Amgen Inc., Gilead Sciences, Inc. and its subsidiary Kite Pharma, Inc., and competing cancer immunotherapy companies such as, Bluebird Bio, Inc., Transgene SA, Bausch Health Companies, NewLink Genetics Corporation, Agenus Inc., Aduro Biotech, Inc., Advaxis, Inc., ImmunoCellular Therapeutics, Ltd., IMV Inc., Oxford BioMedica plc, Bavarian Nordic A/S, Celldex Therapeutics, Inc.,

We have recently announced preclinical testing of a new vaccine program for treatment of certain patients with COVID-19. This SARS-CoV2 disease is extremely challenging and there are many companies addressing COVID-19, both in vaccines and therapeutic treatments, many of which have significantly greater resources and capital than we do and are further along in the clinic than we are. Pfizer-BioNTech, Moderna, and Johnson & Johnson have already developed a COVID-19 vaccine approved for emergency use in the United States and elsewhere, and many more, including several that have progressed further than us, including Oxford-AstraZeneca, Sanofi, Inovio, Takara Bio and Novavax, are in various stages of development, some of which have already received approval for emergency use in some European countries. Various government entities, including the U.S. government, are offering incentives, grants and contracts to encourage additional investment by commercial organizations into preventative and therapeutic agents against coronavirus, which may have the effect of increasing the number of competitors and/or providing advantages to known competitors. The competition for funding research and development in this disease, including grant funding, is intense and there can be no assurance that we will be able to obtain adequate funding to carry out our development plan or that, even if funding is obtained, our vaccine will be effective, timely, and accepted by appropriate regulatory authorities. Accordingly, there can be no assurance that we will be able to successfully establish a competitive market share for our COVID-19 vaccine, if any.

We will face competition from other drugs currently approved or that will be approved in the future for the treatment of the diseases we are currently targeting. Therefore, our ability to compete successfully will depend largely on our ability to:

- develop and commercialize product candidates that are superior to other products in the market;
- demonstrate through our clinical trials that our clinical product candidate is differentiated from existing and future therapies;
- attract qualified scientific and commercial personnel;
- obtain patent or other proprietary protection for its clinical product candidate;
- obtain coverage and adequate reimbursement from, and negotiate competitive pricing with, third-party payors; and
- successfully develop and commercialize, independently or with collaborators, new product candidates.

The availability of our competitors' products could limit the demand, and the price we are able to charge, for any product candidate we develop. The inability to compete with existing or subsequently introduced therapies would have an adverse impact on our business, financial condition and prospects.

Established pharmaceutical companies may invest heavily to accelerate discovery and development of novel compounds or to in-license novel compounds that could make our product candidate less competitive. In addition, any new products that competes with an approved product must demonstrate compelling advantages in efficacy, convenience, tolerability and safety in order to overcome price competition and to be commercially successful. Accordingly, our competitors may succeed in obtaining patent protection, discovering, developing, receiving the FDA's approval for or commercializing medicines before we do, which would have an adverse impact on our business and results of operations.

Our clinical product candidate may exhibit undesirable side effects when used alone or in combination with other approved pharmaceutical products, which may delay or preclude its development or regulatory approval, or limit its use if ever approved.

Throughout the drug development process, we must continually demonstrate the activity, safety, and tolerability of our clinical product candidate in order to obtain regulatory approval to further advance our clinical development, or to eventually market it. Even if our clinical product candidate demonstrates adequate biologic activity and clear clinical benefit, any unacceptable side effects or adverse events, when administered alone or in the presence of other pharmaceutical products, may outweigh these potential benefits. We may observe adverse or serious adverse events or drug-drug interactions in preclinical studies or clinical trials of our clinical product candidate, which could result in the delay or termination of its development, prevent regulatory approval, or limit its market acceptance if it is ultimately approved.

Adverse events caused by our clinical product candidates or generally by plant-based therapeutics could cause reviewing entities, clinical trial sites or regulatory authorities to interrupt, delay or halt clinical trials and could result in the denial of regulatory approval. If an unacceptable frequency or severity of adverse events are reported in our clinical trials for our clinical product candidates, our ability to obtain regulatory approval for such clinical product candidate may be negatively impacted. In addition, adverse events caused by any clinical product candidate administered in combination with our product candidates could cause similar interruptions and delays, even though not caused by our clinical product candidates.

Furthermore, if any of our products are approved and then cause serious or unexpected side effects, a number of potentially significant negative consequences could result, including:

- regulatory authorities may withdraw their approval of the clinical product candidate or impose restrictions on its distribution or other risk management measures;
- regulatory authorities may require the addition of labeling statements, such as warnings or contraindications;
- we may be required to conduct additional clinical trials;
- we could be sued and held liable for injuries sustained by patients;
- we could elect to discontinue the sale of the clinical product candidate; and
- our reputation may suffer.

Any of these events could prevent us from achieving or maintaining market acceptance of the affected clinical product candidate and could substantially increase the costs of commercialization.

Our failure to receive or maintain regulatory approval for product candidates developed at our facility could negatively impact our revenue and profitability.

Our contract manufacturing business materially depends upon the regulatory approval of the products we manufacture. As such, if we experience a delay in, or failure to provide, approval for any product candidates we are manufacturing or if we or our customers fail to maintain regulatory approval of their products, our revenue and profitability could be adversely affected. Additionally, if the FDA or a comparable foreign regulatory authority does not approve of our facilities for the manufacture of a customer product or if it withdraws such approval in the future, our customers may choose to identify alternative manufacturing facilities and/or relationships, which could significantly impact our ability to expand our CDMO capacity and capabilities and achieve profitability.

Product liability lawsuits against us could cause us to incur substantial liabilities and to limit commercialization of any products that we may develop.

We face the risk of product liability exposure in connection with the testing of our product candidates in human clinical trials and will face an even greater risk if we commercially sell any products that we may develop. If we cannot successfully defend ourselves against claims that our product candidates or products caused injuries, we will incur substantial liabilities. Regardless of merit or eventual outcome, liability claims may result in:

- decreased demand for any product candidates or products that we may develop;
- injury to our reputation and significant negative media attention;
- withdrawal of clinical trial participants;
- significant costs to defend the related litigation;
- substantial monetary awards to trial participants or patients;
- loss of revenue;
- reduced resources of our management to pursue our business strategy; and

- the inability to commercialize any products that we may develop.

Prior to commencing human clinical trials, we will seek to obtain product liability insurance coverage. Such insurance coverage is expensive and may not be available in coverage amounts we seek or at all. If we obtain such coverage, we may in the future be unable to maintain such coverage at a reasonable cost or in an amount adequate to satisfy any liability that may arise.

For our clinical product candidates, we intend to use our own manufacturing facility. Any manufacturing problems experienced by us could result in a delay or interruption in the supply of our clinical product candidate until the problem is cured or until we locate and qualify an alternative source of manufacturing and supply.

We currently manufacture our clinical product candidates and do not have a second alternative manufacturer. If we were to experience any prolonged disruption for our manufacturing, we could be forced to seek additional third-party manufacturing contracts, thereby increasing our development costs and negatively impacting our timelines and any commercialization costs. If we change manufacturers at any point during the development process or after approval of a product candidate, we will be required to demonstrate comparability between the product manufactured by the old manufacturer and the product manufactured by the new manufacturer. If we are unable to do so we may need to conduct additional clinical trials with product manufactured by the new manufacturer.

If we are not able to manufacture sufficient quantities of our clinical product candidate, our development activities would be impaired. In addition, the manufacturing facility where our clinical product candidate is manufactured is subject to ongoing, periodic inspection by the FDA or other comparable regulatory agencies to ensure compliance with current Good Manufacturing Practice, or cGMP. Any failure to follow and document the manufacturer's adherence to such cGMP regulations or other regulatory requirements may lead to significant delays in the availability of clinical bulk drug substance and finished product for clinical trials, which may result in the termination of or a hold on a clinical trial, or may delay or prevent filing or approval of marketing applications for our clinical product candidate. We also may encounter problems with the following:

- achieving adequate or clinical-grade materials that meet FDA or other comparable regulatory agency standards or specifications with consistent and acceptable production yield and costs;
- failing to develop an acceptable formulation to support late-stage clinical trials for, or the commercialization of, our clinical product candidate;
- being unable to increase the scale of or the capacity for, or reformulate the form of our clinical product candidate, which may cause us to experience a shortage in supply, or cause the cost to manufacture our clinical product candidate to increase.
- we cannot assure you that we will be able to manufacture our clinical product candidate at a suitable commercial scale, or that we will be able to find alternative manufacturers acceptable to us that can do so;
- our facility closing as a result of regulatory sanctions, pandemic or a natural disaster;
- shortages of qualified personnel, raw materials or key contractors;
- failing to obtain FDA approval for commercial scale manufacturing; and
- ongoing compliance with cGMP regulations and other requirements of the FDA or other comparable regulatory agencies.

If we encounter any of these problems or are otherwise delayed, or if the cost of manufacturing is not economically feasible or we cannot find another third-party manufacturer, we may not be able to produce our clinical product candidate in a sufficient quantity to meet future demand.

These risks are likely to be exacerbated by our limited experience with our current products and manufacturing processes. If demand for our products materializes, we may have to invest additional resources to purchase materials, hire and train employees, and enhance our manufacturing processes. It may not be possible for us to manufacture our clinical product candidate at a cost or in quantities sufficient to make its clinical product candidate commercially viable. Any of these factors may affect our ability to manufacture our products and could reduce gross margins and profitability.

Reliance on third-party manufacturers and suppliers entails risks to which we would not be subject if we manufacture our clinical product candidate ourselves, including:

- reliance on the third parties for regulatory compliance and quality assurance;
- the possible breach of the manufacturing agreements by the third parties because of factors beyond our control or the insolvency of any of these third parties or other financial difficulties, labor unrest, natural disasters or other factors adversely affecting their ability to conduct their business; and
- possibility of termination or non-renewal of the agreements by the third parties, at a time that is costly or inconvenient for us, because of our breach of the manufacturing agreement or based on their own business priorities.

If we rely on a third party contract manufacturer or its suppliers fail to deliver the required commercial quantities of our clinical product candidate required for our clinical trials and, if approved, for commercial sale, on a timely basis and at commercially reasonable prices, and we are unable to find one or more replacement manufacturers or suppliers capable of production at a substantially equivalent cost, in substantially equivalent volumes and quality, and on a timely basis, we would likely be unable to meet demand for our products and would have to delay or terminate our pre-clinical or clinical trials, and we would lose potential revenue. It may also take significant time to establish an alternative source of supply for our clinical product candidate and to have any such new source approved by the FDA or any applicable foreign regulatory authorities. Furthermore, any of the above factors could cause the delay or suspension of initiation or completion of clinical trials, regulatory submissions or required approvals of our clinical product candidate, cause it to incur higher costs and could prevent us from commercializing our clinical product candidate successfully.

Risks Related to Dependence on Third Parties

If we are unable to establish new collaborations and maintain both new and existing collaborations, or if these collaborations are not successful, our business could be adversely affected.

Our current business plan contemplates that we will in the future derive significant revenues from collaborators and licensees that successfully utilize iBio technologies in connection with the production, development and commercialization of vaccines and therapeutic protein product candidates. Our realization of these revenues and dependence on existing collaborations, and any future collaborations we enter into, is subject to a number of risks, including the following:

- collaborators may have significant discretion in determining the efforts and resources that they will apply to these collaborations;
- collaborators may not perform their obligations as expected;
- collaborators may not pursue development and, if successful, commercialization of product candidates or may elect not to continue or renew development or commercialization programs based on clinical trial results, changes in the collaborators' strategic focus or available funding, or external factors, such as an acquisition, that divert resources or create competing priorities;

- collaborators may delay clinical trials, provide insufficient funding for a clinical trial program, stop a clinical trial or abandon a product candidate, repeat or conduct new clinical trials or require a new formulation of a product candidate for clinical testing;
- collaborators could independently develop, or develop with third parties, products that compete directly or indirectly with our products or product candidates if the collaborators believe that competitive products are more likely to be successfully developed or can be commercialized under terms that are more economically attractive than ours, which may cause collaborators to cease to devote resources to the commercialization of our product candidates;
- collaborators with marketing and distribution rights to one or more of our product candidates that achieve regulatory approval may not commit sufficient resources to the marketing and distribution of such product or products; or commercialization of product candidates, might lead to additional responsibilities for us with respect to product candidates, or might result in litigation or arbitration, any of which would be time-consuming and expensive;
- collaborators may not properly maintain or defend our intellectual property rights or may use our proprietary information in such a way as to invite litigation that could jeopardize or invalidate our intellectual property or proprietary information or expose us to potential litigation;
- collaborators may infringe the intellectual property rights of third parties, which may expose us to litigation and potential liability;
- collaborations may be terminated for the convenience of the collaborator and, if terminated, we would potentially lose the right to pursue further development or commercialization of the applicable product candidates;
- collaborators may learn about our technology and use this knowledge to compete with us in the future;
- results of collaborators' preclinical or clinical studies could produce results that harm or impair other products using our technology;
- there may be conflicts between different collaborators that could negatively affect those collaborations and others; and
- the number and type of our collaborations could adversely affect our attractiveness to future collaborators or acquirers.

If our collaborations do not result in the successful development and commercialization of products or if one or more of our collaborators terminates its agreement with us, we may not receive any future research and development funding or milestone or royalty payments under the collaboration. If we do not receive the funding we expect under these agreements, our continued development of our product candidates could be delayed and we may need additional resources to develop additional product candidates. There can be no assurance that our collaborations will produce positive results or successful products on a timely basis or at all.

We seek to establish and collaborate with additional pharmaceutical and biotechnology companies for development and potential commercialization of iBio technology-produced and iBio technology-enhanced product candidates. We face significant competition in seeking appropriate collaborators. Our ability to reach a definitive agreement for a collaboration depends, among other things, upon our assessment of the collaborator's resources and expertise, the terms and conditions of the proposed collaboration and the proposed collaborator's evaluation of several factors. If we fail to reach agreements with suitable collaborators on a timely basis, on acceptable terms, or at all, we may have to curtail the development of a product candidate, reduce or delay its development or the development of one or more of our other product candidates, or increase our expenditures and undertake additional development or commercialization activities at our own expense. If we

elect to fund and undertake development or commercialization activities on our own, we may need to obtain additional expertise and additional capital, which may not be available to us on acceptable terms or at all.

If we fail to enter into collaborations and do not have sufficient funds or expertise to undertake the necessary development and commercialization activities, we may not be able to further develop our product candidates or bring them to market or continue to develop our product portfolio and our business may be materially and adversely affected.

If third parties on whom we or our licensees will rely for the conduct of preclinical studies and clinical trials do not perform as contractually required or as we expect, we may not be able to obtain regulatory approval for or commercialize our product candidates and our business may suffer.

We have limited resources dedicated to designing, conducting, and managing our preclinical studies and clinical trials. We do not have the ability to independently conduct the preclinical studies and clinical trials required to obtain regulatory approval for our product candidates. We have not yet contracted with any third parties to conduct clinical trials of product candidates we develop independently of collaborators. We will depend on licensees or on independent clinical investigators, contract research organizations and other third-party service providers to conduct the clinical trials of our product candidates. We will rely on these vendors and individuals to perform many facets of the clinical development process on our behalf, including conducting preclinical studies and will rely on them for the recruitment of sites and subjects for participation in our clinical trials, maintenance of good relations with the clinical sites, and ensuring that these sites are conducting our trials in compliance with the trial protocol and applicable regulations.

We will rely heavily on these parties for successful execution of our clinical trials but will not control many aspects of their activities. For example, the investigators participating in our clinical trials will not be our employees. However, we will be responsible for ensuring that each of our clinical trials is conducted in accordance with the general investigational plan and protocols for the trial. Third parties may not complete activities on schedule, or may not conduct our clinical trials in accordance with regulatory requirements or our stated protocols. The failure of these third parties to carry out their obligations could delay or prevent the development, approval and commercialization of our product candidates. If these third parties fail to perform satisfactorily, or do not adequately fulfill their obligations under the terms of our agreements with them, we may not be able to enter into alternative arrangements without undue delay or additional expenditures, and therefore the preclinical studies and clinical trials of our clinical product candidate may be delayed or prove unsuccessful.

Further, the FDA, the EMA, or similar regulatory authorities in other countries, may inspect some of the clinical sites participating in our clinical trials or our third-party vendors' sites to determine if our clinical trials are being conducted according to good clinical practices, or GCPs, or similar regulations. If we or a regulatory authority determine that our third-party vendors are not in compliance with, or have not conducted our clinical trials according to applicable regulations, we may be forced to exclude certain data from the results of the trial, or delay, repeat or terminate such clinical trials.

If revenue from a third-party customer or client is concentrated in an amount that makes up a significant percentage of our total revenues, we may be adversely impacted by the significant dependence upon that client, including but not limited to, receipt and collections of outstanding amounts, significant percentage use iBio's capacity, the opportunity cost of more profitable opportunities using our capacity, of continued operational allocations toward the client and related efficiencies.

To date, our revenue has been derived from a small number of clients upon which our revenue has been dependent. At this time, we are continually promoting our technologies and CDMO capabilities to further expand and grow our revenue base and business. We will continue to consider any potential revenue and client related concentration risks. Although we expect our revenues to increase significantly and further vary by client over the next twelve months, there are no guarantees we will be correct in our assumptions. If we continue to derive our revenue from a small number of clients, we will remain dependent upon these clients for our revenue generation and the ability of the clients to use our services.

We rely on third parties to supply most of the necessary raw materials and supplies for the products we manufacture on behalf of our customers and our inability to obtain such raw materials or supplies may adversely impact our business, financial condition, and results of operations.

Our operations require various raw materials, including proprietary resins, buffers, and filters, in addition to numerous additional raw materials supplied primarily by third parties. We or our customers specify the raw materials and other items required to manufacture their product and, in some cases, specify the suppliers from whom we must purchase these raw materials. In certain instances, the raw materials and other items can only be supplied by a limited number of suppliers and, in some cases, a single source, or in limited quantities. If third-party suppliers do not supply raw materials or other items on a timely basis, it may cause a manufacturing run to be delayed or canceled which would adversely impact our financial condition and results of operations. If we experience difficulties acquiring sufficient quantities of required materials or products from our existing suppliers, or if our suppliers are found to be non-compliant with the FDA's quality system regulation, cGMP or other applicable laws or regulations, we would be required to find alternative suppliers. If our primary suppliers become unable or unwilling to perform, any resulting delays or interruptions in the supply of raw materials required to support our manufacturing of cGMP pharmaceutical-grade products would ultimately delay our manufacture of products for our customers, which could materially and adversely affect our financial condition and operating results.

Furthermore, third-party suppliers may fail to provide us with raw materials and other items that meet the qualifications and specifications required by us or our customers. If third-party suppliers are not able to provide us with raw materials that meet our or our customers' specifications on a timely basis, we may be unable to manufacture their product or it could prevent us from delivering products to our customers within required timeframes. Any such delay in delivering our products may create liability for us to our customers for breach of contract or cause us to experience order cancellations and loss of customers. In the event that we manufacture products with inferior quality components and raw materials, we may become subject to product liability claims caused by defective raw materials or components from a third-party supplier or from a customer, or our customer may be required to recall its products from the market.

Any claims beyond our insurance coverage limits, or that are otherwise not covered by our insurance, may result in substantial costs and a reduction in our available capital resources.

We maintain property insurance, employer's liability insurance, product liability insurance, general liability insurance, business interruption insurance, and directors' and officers' liability insurance, among others. Although we maintain what we believe to be adequate insurance coverage, potential claims may exceed the amount of insurance coverage or may be excluded under the terms of the policy, which could cause an adverse effect on our business, financial condition and results from operations. Generally, we would be at risk for the loss of inventory that is not within customer specifications. These amounts could be significant. In addition, in the future we may not be able to obtain adequate insurance coverage or we may be required to pay higher premiums and accept higher deductibles in order to secure adequate insurance coverage.

We may be subject to various litigation claims and legal proceedings.

We, as well as certain of our directors and officers, may be subject to claims or lawsuits during the ordinary course of business. Regardless of the outcome, these lawsuits may result in significant legal fees and expenses and could divert management's time and other resources. If the claims contained in these lawsuits are successfully asserted against us, we could be liable for damages and be required to alter or cease certain of our business practices. Any of these outcomes could cause our business, financial performance and cash position to be negatively impacted.

Risks Related to Intellectual Property

If we or our licensors are unable to obtain and maintain patent protection for our technology and products, or if the scope of the patent protection obtained is not sufficiently broad, competitors could develop and commercialize technology and products similar or identical to ours, and our ability to successfully commercialize our technology and products may be impaired.

Our success depends in part on our ability to obtain and maintain patent and other intellectual property protection in the United States and other countries with respect to our proprietary technology and products. We seek to protect our proprietary position by filing patent applications in the United States and abroad related to our novel technologies and product candidates, and by maintenance of our trade secrets through proper procedures.

The patent prosecution process is expensive and time-consuming, and we may not be able to file and prosecute all necessary or desirable patent applications at a reasonable cost, in a timely manner, or in all jurisdictions. It is also possible that we will fail to identify patentable aspects of our research and development output before it is too late to obtain patent protection.

The patent position of biotechnology and pharmaceutical companies generally is highly uncertain, involves complex legal and factual questions and has in recent years been the subject of much litigation. In addition, the laws of foreign countries may not protect our rights to the same extent as the laws of the United States and we may fail to seek or obtain patent protection in all major markets. For example, European patent law restricts the patentability of methods of treatment of the human body more than United States law does. Publications of discoveries in the scientific literature often lag behind the actual discoveries, and patent applications in the United States and other jurisdictions are typically not published until 00 months after filing, or in some cases not at all. Therefore, we cannot know with certainty whether we were the first to make the inventions claimed in our owned patents or pending patent applications, or that we were the first to file for patent protection of such inventions, nor can we know whether those from whom we license patents were the first to make the inventions claimed or were the first to file. As a result, the issuance, scope, validity, enforceability and commercial value of our patent rights are highly uncertain. Our pending and future patent applications may not result in patents being issued which protect our technology or products, in whole or in part, or which effectively prevent others from commercializing competitive technologies and products. Changes in either the patent laws or interpretation of the patent laws in the United States and other countries may diminish the value of our patents or narrow the scope of our patent protection.

Moreover, we may be subject to a third-party pre-issuance submission of prior art to the U.S. PTO, or become involved in opposition, derivation, reexamination, *inter partes* review, post-grant review or interference proceedings challenging our patent rights or the patent rights of others. An adverse determination in any such submission, proceeding or litigation could reduce the scope of, or invalidate, our patent rights, allow third parties to commercialize our technology or products and compete directly with us, without payment to us, or result in our inability to manufacture or commercialize products without infringing third-party patent rights. In addition, if the breadth or strength of protection provided by our patents and patent applications is threatened, it could dissuade companies from collaborating with us to license, develop or commercialize current or future product candidates.

Even if our pending or future patent applications issue as patents, they may not issue in a form that will provide us with any meaningful protection, prevent competitors from competing with us or otherwise provide us with any competitive advantage. Our competitors may be able to circumvent our patents by developing similar or alternative technologies or products in a non-infringing manner.

The issuance of a patent is not conclusive as to its inventorship, scope, validity or enforceability, and our patents may be challenged in the courts or patent offices in the United States and abroad. Such challenges may result in loss of exclusivity or freedom to operate or in patent claims being narrowed, invalidated or held unenforceable, in whole or in part, which could limit our ability to stop others from using or commercializing similar or identical technology and products, or limit the duration of the patent protection of our technology and products. Given the amount of time required for the development, testing and regulatory review of new product candidates, patents protecting such candidates might expire before or shortly after such candidates are commercialized. As a result, our patent portfolio may not provide us with sufficient rights to exclude others from commercializing products similar or identical to ours.

We may become involved in lawsuits to protect or enforce our patents or other intellectual property, which could be expensive, time-consuming and ultimately unsuccessful.

Our commercial success depends upon our ability, and the ability of our collaborators, to develop, manufacture, market and sell our product candidates and use our proprietary technologies without infringing the proprietary rights of third parties. There is considerable intellectual property litigation in the biotechnology and pharmaceutical industries. Competitors may infringe our issued patents or other intellectual property. To counter infringement or unauthorized use, we may be required to file infringement claims, which can be expensive and time-consuming. Any claims we assert against perceived infringers could provoke these parties to assert counterclaims against us alleging that we infringe their intellectual property. In addition, in a patent infringement proceeding, a court may decide that a patent of ours is invalid or unenforceable, in whole or in part, construe the patent's claims narrowly or refuse to stop the other party from using the technology at issue on the grounds that our patents do not cover the technology in question. An adverse result in any litigation proceeding could put one or more of our patents at risk of being invalidated or interpreted narrowly, which could adversely affect us and our collaborators.

While no such litigation has been brought against us and we have not been held by any court to have infringed a third party's intellectual property rights, we cannot guarantee that our technology, products or use of our products do not infringe third-party patents. It is also possible that we have failed to identify relevant third-party patents or applications. For example, applications filed before November 29, 2000, and certain applications filed after that date that will not be filed outside the United States remain confidential until patents issue. Patent applications in the United States and elsewhere are published approximately 18 months after the earliest filing date, which is referred to as the priority date. Therefore, patent applications covering our products or technology could have been filed by others without our knowledge. Additionally, pending patent applications which have been published can, subject to certain limitations, be later amended in a manner that could cover our technologies, our products or the use of our products.

We may become party to, or threatened with, future adversarial proceedings or litigation regarding intellectual property rights with respect to our products and technology, including interference or derivation proceedings before the U.S. PTO and similar bodies in other countries. Third parties may assert infringement claims against us based on existing intellectual property rights and intellectual property rights that may be granted in the future.

If we are found to infringe a third party's intellectual property rights, we could be required to obtain a license from such third party to continue developing and marketing our products and technology. However, we may not be able to obtain any required license on commercially reasonable terms or at all. Even if we were able to obtain a license, it could be non-exclusive, thereby giving our competitors access to the same technologies licensed to us. We could be forced, including by court order, to cease commercializing the infringing technology or product. In addition, we could be found liable for monetary damages, including treble damages and attorneys' fees if we are found to have willfully infringed a patent. A finding of infringement could prevent us from commercializing our product candidates or force us to cease some of our business operations, which could materially harm our business. Claims that we have misappropriated the confidential information or trade secrets of third parties could have a similar negative impact on our business.

In addition, the uncertainties associated with litigation could have a material adverse effect on our ability to raise the funds necessary to continue our clinical trials, continue our research programs, license necessary technology from third parties, or enter into development partnerships that would help us bring our product candidates to market. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation.

If we are found to have failed to comply with our obligations in the agreements under which we license intellectual property rights from third parties or otherwise experience disruptions to our business relationships with our licensors, we could lose intellectual property rights that are important to our business.

We are a party to an exclusive license agreement with University of Pittsburgh, as well as a non-exclusive license agreement with the University of Natural Resources and Life Sciences, Vienna, and an exclusive license agreement with RubrYc and a collaboration, option and license agreement with RubrYc and may need to obtain additional licenses from others to advance our research and development activities or allow the commercialization of our lead products or other product candidates that we may identify. Our license agreements impose, and we expect that future license agreements will impose, various development, diligence, commercialization, and other obligations on us. Our prospects for our fibrosis product candidate (IBIO-100), which is now one of our primary focuses, is significantly dependent upon our license agreement with the University of Pittsburgh. The license grants us exclusive, worldwide rights to certain existing patents and related intellectual property that cover fibrosis. If we breach the terms of the license, including any failure to make minimum royalty payments required thereunder or failure to reach certain developmental milestones and by certain deadlines or other factors, University of Pittsburgh has the right to terminate the license. Under the terms and conditions of the license agreement, as amended, we have agreed to use our best efforts to bring the licensed technology to market as soon as practicable, consistent with sound and reasonable business practice and judgment, and to continue active, diligent marketing efforts for the licensed technology throughout the term of this Agreement. In addition, this license agreement, as amended sets forth the following specific milestone completion deadlines: filing an investigational new drug application by December 31, 2021, enrollment of first patient in a Phase 1 clinical trial by March 31, 2022, enrollment of first patient in a Phase 2 clinical trial by June 30, 2023, enrollment of first patient in a Phase 3 clinical trial by June 30, 2026 and filing of a Biologics License Application or foreign equivalent by December 21, 2029. Although we intend to commence initiation of IND-enabling studies in fiscal 2022, there can be no assurance that we will complete the necessary studies in order to allow for us to file an IND by December 31, 2021. If we were to lose or otherwise be unable to maintain the license on acceptable terms or find that it is necessary or appropriate to secure new licenses from other third parties, we may not be able to further develop or market IBIO-100.

The commercial license with RubrYc exclusively permits us to research, develop, make, have made, manufacture, use, distribute, sell, offer for sale, import, and export antibodies in RubrYc's RTX-003. Under the terms and conditions of the RTX-003 License Agreement, we agreed to use commercially reasonable efforts to develop and commercialize RTX-003 antibodies. If we fail to achieve certain timing milestones for starting GMP manufacturing and dosing human patients under an IND, we could be required to make a payment to RubrYc on the date the milestone is missed and on each anniversary of such date until the milestone is achieved, provided that the milestone was missed due to our failure to exercise commercially reasonable efforts. If we breach the terms of the license agreement with RubrYc, RubrYc has the right to terminate the license agreement. In addition, the collaboration, option and license agreement with RubrYc provides that in the event the option is exercised by us, we have various diligence obligations including that we will use commercially reasonable efforts to (i) develop Selected Compounds for use in pharmaceutical products (the "Collaboration Products"); and (ii) commercialize the Collaboration Products. In addition, we are also required to meet a series of development milestones for each Collaboration Product. Failure to achieve the milestones will result in a payment to RubrYc on the date the milestone is missed and on each anniversary of such date until the milestone is achieved, provided that the milestone was missed due to our failure to exercise commercially reasonable efforts. If we breach the terms of the collaboration, option and license agreement with RubrYc, they have the right to terminate the license agreement.

In spite of our efforts, our licensors might allege that we have materially breached our obligations under such license agreements and might therefore attempt to terminate the license agreements, thereby removing or limiting our ability to develop and commercialize products and technology covered by these license agreements. If these in-licenses are terminated, or if the underlying patents fail to provide the intended exclusivity, competitors or other third parties might have the freedom to seek regulatory approval of, and to market, products identical to ours and we may be required to cease our development and commercialization of our lead products or other product candidates that we may identify. Any of the foregoing could have a material adverse effect on our competitive position, business, financial conditions, results of operations, and prospects.

Moreover, disputes may arise regarding intellectual property subject to a licensing agreement, including:

- the scope of rights granted under the license agreement and other interpretation-related issues;
- the extent to which our product candidates, technology and processes infringe on intellectual property of the licensor that is not subject to the licensing agreement;
- the sublicensing of patent and other rights under our collaborative development relationships;
- our diligence obligations under the license agreement and what activities satisfy those diligence obligations;
- the inventorship and ownership of inventions and know-how resulting from the joint creation or use of intellectual property by our licensors and us and our partners; and
- the priority of invention of patented technology.

In addition, the agreements under which we currently license intellectual property or technology from third parties are complex, and certain provisions in such agreements may be susceptible to multiple interpretations. The resolution of any contract interpretation disagreement that may arise could narrow what we believe to be the scope of our rights to the relevant intellectual property or technology or increase what we believe to be our financial or other obligations under the relevant agreement, either of which could have a material adverse effect on our business, financial condition, results of operations, and prospects. Moreover, if disputes over intellectual property that we have licensed prevent or impair our ability to maintain our current licensing arrangements on commercially acceptable terms, we may be unable to successfully develop and commercialize the affected product candidates, which could have a material adverse effect on our business, financial conditions, results of operations, and prospects.

Patent terms may be inadequate to protect our competitive position on our product candidates for an adequate amount of time.

Patents have a limited lifespan. In the United States, if all maintenance fees are timely paid, the natural expiration of a patent is generally 20 years from its earliest U.S. non-provisional filing date. Various extensions may be available, but the life of a patent, and the protection it affords, is limited. Even if patents covering our product candidates are obtained, once the patent life has expired, we may be open to competition from competitive products, including generics or biosimilars. Given the amount of time required for the development, testing and regulatory review of new product candidates, patents protecting such candidates might expire before or shortly after such candidates are commercialized. As a result, our owned and licensed patent portfolio may not provide us with sufficient rights to exclude others from commercializing products similar or identical to ours.

If we are unable to protect our trade secrets, our business and competitive position would be harmed.

In addition to seeking patents for some of our technology and product candidates, we also rely on trade secrets, including unpatented know-how, technology and other proprietary information, to maintain our competitive position. We seek to protect these trade secrets, in part, by entering into non-disclosure and confidentiality agreements with parties who have access to them, such as our employees, corporate collaborators, outside scientific collaborators, contract manufacturers, consultants, advisors and other third parties. We also seek to enter into confidentiality and invention or patent assignment agreements with our employees and consultants. Despite these efforts, any of these parties may breach the agreements and disclose our proprietary information, including our trade secrets, and we may not be able to obtain adequate remedies for such breaches. Our trade secrets may also be obtained by third parties by other means, such as breaches of our physical or computer security systems. Enforcing a claim that a party illegally disclosed or misappropriated a trade secret is difficult, expensive and time-consuming, and the outcome is unpredictable. In addition, some courts inside and outside the United States are less willing or unwilling to protect trade secrets. If any of our trade secrets were to be lawfully obtained or independently developed by a competitor, we would have no right to prevent them, or those to whom they communicate it, from using that technology or information to compete with us. If any of our trade secrets were to be disclosed to or independently developed by a competitor, our competitive position would be harmed.

We may be subject to claims challenging the inventorship of our patent filings and other intellectual property.

Many of our employees, including our senior management, were previously employed at other biotechnology or pharmaceutical companies. These employees typically executed proprietary rights, non-disclosure and non-competition agreements in connection with their previous employers. Although we try to ensure that our employees do not use the proprietary information or know-how of others in their work for us, we may be subject to claims that we or these employees have used or disclosed intellectual property, including trade secrets or other proprietary information, of any such employee's former employer. We or our licensors may be subject to claims that former employees, collaborators or other third parties have an interest in our owned or in-licensed patents, trade secrets, or other intellectual property as an inventor or co-inventor. For example, we or our licensors may have inventorship disputes arise from conflicting obligations of employees, consultants or others who are involved in developing our product candidates. Litigation may be necessary to defend against these and other claims challenging inventorship or our or our licensors' ownership of our owned or in-licensed patents, trade secrets or other intellectual property. If we or our licensors fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights, such as exclusive ownership of, or right to use, intellectual property that is important to our product candidates. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to management and other employees. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations and prospects. In addition, while we require our employees and contractors who may be involved in the conception or development of intellectual property to execute agreements assigning such intellectual property to us, we may be unsuccessful in executing such an agreement with each party who, in fact, conceives or develops intellectual property that we regard as our own. The assignment of intellectual property rights may not be self-executing, or the assignment agreements may be breached, and we may be forced to bring claims against third parties, or defend claims that they may bring against us, to determine the ownership of what we regard as our intellectual property.

Intellectual property rights do not necessarily address all potential threats to our competitive advantage.

The degree of future protection afforded by our intellectual property rights is uncertain because intellectual property rights have limitations and may not adequately protect our business or permit us to maintain our competitive advantage. The following examples are illustrative:

- others may be able to make products that are similar to our product candidates but that are not covered by the claims of the patents that we license;

- our licensors or collaborators might not have been the first to make the inventions covered by an issued patent or pending patent application;

- our licensors or collaborators might not have been the first to file patent applications covering an invention;
- others may independently develop similar or alternative technologies or duplicate any of our or our licensors' technologies without infringing our intellectual property rights;
- pending patent applications may not lead to issued patents;
- issued patents may not provide us with any competitive advantages, or may be held invalid or unenforceable, as a result of legal challenges by our competitors;
- our competitors might conduct research and development activities in countries where we do not have patent rights and then use the information learned from such activities to develop competitive products for sale in our major commercial markets;
- we may not develop or in-license additional proprietary technologies that are patentable;
- the patents of others may have an adverse effect on our business; and
- we may choose not to file a patent application for certain trade secrets or know-how, and a third party may subsequently obtain a patent covering such intellectual property.

Should any of these events occur, they could significantly harm our business, results of operations and prospects.

We may not be able to protect our intellectual property rights throughout the world.

Filing, prosecuting and defending patents on our product candidates in all countries throughout the world would be prohibitively expensive, and our intellectual property rights in some countries outside the United States can be less extensive than those in the United States. In addition, the laws of some foreign countries do not protect intellectual property rights to the same extent as federal and state laws in the United States. Consequently, we may not be able to prevent third parties from practicing our inventions in all countries outside the United States, or from selling or importing products made using our inventions in and into the United States or other jurisdictions. Competitors may use our technologies in jurisdictions where we have not obtained patent protection to develop their own products and may also export infringing products to territories where we have patent protection, but enforcement is not as strong as that in the United States. These products may compete with our products and our patents or other intellectual property rights may not be effective or sufficient to prevent them from competing. Many companies have encountered significant problems in protecting and defending intellectual property rights in foreign jurisdictions. The legal systems of certain countries, particularly certain developing countries, do not favor the enforcement of patents, trade secrets, and other intellectual property protection, particularly those relating to biotechnology products, which could make it difficult for us to stop the infringement of our patents or marketing of competing products in violation of our proprietary rights generally. Proceedings to enforce our patent rights in foreign jurisdictions, whether or not successful, could result in substantial costs and divert our efforts and attention from other aspects of our business, could put our patents at risk of being invalidated or interpreted narrowly and our patent applications at risk of not issuing and could provoke third parties to assert claims against us. We may not prevail in any lawsuits that we initiate, and the damages or other remedies awarded, if any, may not be commercially meaningful. Accordingly, our efforts to enforce our intellectual property rights around the world may be inadequate to obtain a significant commercial advantage from the intellectual property that we develop or license.

If we should fail to comply with various patent laws our patent protection could be reduced or eliminated.

Periodic maintenance fees, renewal fees, annuity fees and various other governmental fees on patents and/or applications will be due to be paid to the USPTO and various governmental patent agencies outside of the United States in several stages over the lifetime of the patents and/or applications. We have systems in place to remind us to pay these fees, and we employ an outside firm and rely on our outside counsel to pay these fees due to non-U.S. patent agencies. The USPTO

and various non-U.S. governmental patent agencies require compliance with a number of procedural, documentary, fee payment and other similar provisions during the patent application process. We employ reputable law firms and other professionals to help us comply, and in many cases, an inadvertent lapse can be cured by payment of a late fee or by other means in accordance with the applicable rules. However, there are situations in which non-compliance can result in abandonment or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. In such an event, our competitors might be able to enter the market and this circumstance would have a material adverse effect on our business.

Changes in patent law, including recent patent reform legislation, could increase the uncertainties and costs surrounding the prosecution of our patent applications and the enforcement or defense of our issued patents.

Changes in either the patent laws or interpretation of the patent laws in the United States could increase the uncertainties and costs surrounding the prosecution of patent applications and the enforcement or defense of issued patents. Assuming that other requirements for patentability are met, prior to March 2013, in the United States, the first to invent the claimed invention was entitled to the patent, while outside the United States, the first to file a patent application was entitled to the patent. After March 2013, under the Leahy-Smith America Invents Act, or the America Invents Act, enacted in September 2011, the United States transitioned to a first inventor to file system in which, assuming that other requirements for patentability are met, the first inventor to file a patent application will be entitled to the patent on an invention regardless of whether a third party was the first to invent the claimed invention. A third party that files a patent application in the USPTO after March 2013, but before us could therefore be awarded a patent covering an invention of ours even if we had made the invention before it was made by such third party. This will require us to be cognizant of the time from invention to filing of a patent application. Since patent applications in the United States and most other countries are confidential for a period of time after filing or until issuance, we cannot be certain that we or our licensors were the first to either (i) file any patent application related to our product candidates or (ii) invent any of the inventions claimed in our or our licensor's patents or patent applications. In addition, the patent positions of companies in the development and commercialization of pharmaceuticals are particularly uncertain. Recent U.S. Supreme Court rulings have narrowed the scope of patent protection available in certain circumstances and weakened the rights of patent owners in certain situations. This combination of events has created uncertainty with respect to the validity and enforceability of patents, once obtained. Depending on future actions by the U.S. Congress, the federal courts, and the USPTO, the laws and regulations governing patents could change in unpredictable ways that could have a material adverse effect on our existing patent portfolio and our ability to protect and enforce our intellectual property in the future.

Risks Related to iBio's Operations

Our operating results will be adversely affected if we are unable to maximize our facility capacity utilization.

iBio CDMO's operating results are significantly influenced by our capacity utilization and, as such, if we are unable to utilize our facilities to capacity, our margins could be adversely affected, and our results of operations and financial condition will continue to be adversely affected. Further, while we continue to implement and execute our business plan and attract and maintain customers for our development, manufacturing and technology transfer services, our revenue volume may be insufficient to ensure the economical operation of our facilities, in which case our results of operations could be adversely affected.

For our clinical product candidate and our CDMO business, we intend to use our own manufacturing facility. Any manufacturing problems experienced by us could result in a delay or interruption in the supply of our clinical product candidate until the problem is cured or until we locate and qualify an alternative source of manufacturing and supply.

We rely on the continuous operation of our only manufacturing facility in Texas for the production of our products.We currently manufacture our clinical product candidates and perform services for our CDMO customers at our facility located in Texas and do not have a second alternative manufacturer. Any natural disaster or other serious disruption to our facility due to fire, flood, earthquake, or any other unforeseen circumstance would adversely affect our business, financial condition, and results of operations. In addition, adverse weather conditions, such as increased frequency and/or severity of storms, or floods could impair our ability to operate by damaging our facilities and equipment or restricting product delivery to customers. The occurrence of any disruption at our manufacturing facility, even for a short period of time, may

have an adverse effect on our productivity and profitability, during and after the period of the disruption. If we were to experience any prolonged disruption for our manufacturing, we could be forced to seek additional third-party manufacturing contracts, thereby increasing our development costs and negatively impacting our timelines and any commercialization costs. If we change manufacturers at any point during the development process or after approval of a product candidate, we will be required to demonstrate comparability between the product manufactured by the old manufacturer and the product manufactured by the new manufacturer. If we are unable to do so we may need to conduct additional clinical trials with product manufactured by the new manufacturer.

A failure by iBio to hire and retain an appropriately skilled and adequate workforce could adversely impact the ability of the facility to operate and function efficiently.

iBio's operations will depend, in part, on their ability to attract and retain an appropriately skilled and sufficient workforce to operate its development and manufacturing facility as well as its R&D facility. These employees may voluntarily terminate their employment with us at any time. Both facilities are located in a growing biotechnology hubs and competition for skilled workers will continue to increase as the industry undergoes further growth in the area. There can be no assurance that we will be able to retain key personnel, or to attract and retain additional qualified employees. Our inability to attract and retain key personnel as we grow in two locations may have a material adverse effect on our business.

If we are unable to provide quality and timely services to our customers, our business could suffer.

The manufacturing services we conduct are highly complex, due in part to strict regulatory requirements. A failure of our quality control systems in our facilities could cause problems to arise in connection with facility operations for a variety of reasons, including equipment malfunction, viral contamination, failure to follow specific manufacturing instructions, protocols and standard operating procedures, problems with raw materials or environmental factors. Such problems could affect production of a single manufacturing run or a series of runs, requiring the destruction of products, or could halt manufacturing operations altogether. In addition, our failure to meet required quality standards may result in our failure to timely deliver products to our customers, which in turn could damage our reputation for quality and service. Any such incident could, among other things, lead to increased costs, lost revenue, reimbursement to customers for lost drug substance, damage to and possibly termination of existing customer relationships, time and expense spent investigating the cause and, depending on the cause, similar losses with respect to other manufacturing runs. With respect to our commercial manufacturing, if problems are not discovered before the product is released to the market, we may be subject to regulatory actions, including product recalls, product seizures, injunctions to halt manufacture and distribution, restrictions on our operations, civil sanctions, including monetary sanctions, and criminal actions. In addition, such issues could subject us to litigation, the cost of which could be significant.

Failure to comply with regulatory requirements could adversely affect our business and results of operations.

Our CDMO operations are highly regulated, and we must comply with the regulatory requirements of various local, state, provincial, national and international regulatory bodies having jurisdiction in the countries or localities in which we manufacture products or in which our customers' products are distributed. In particular, we are subject to laws and regulations concerning development, testing, manufacturing processes, equipment and facilities, including compliance with cGMPs, import and export, and product registration and listing, among other things. As a result, our facility is subject to regulation by the FDA, as well as regulatory bodies of other jurisdictions where our customers have marketing approval for their products. As we expand our operations and geographic scope, we may be exposed to more complex and newer regulatory and administrative requirements and legal risks, any of which may require expertise in which we have little or no experience. It is possible that compliance with new regulatory requirements could impose significant compliance costs on us. Such costs could have a material adverse effect on our business, financial condition and results of operations.

iBio CDMO's operations are also subject to a variety of environmental, health and safety laws and regulations, including those of the Environmental Protection Agency and equivalent local and state agencies. These laws and regulations govern, among other things, air emissions, wastewater discharges, the use, handling and disposal of hazardous substances and wastes, soil and groundwater contamination and employee health and safety. Any failure to comply with environmental, health and safety requirements could result in the limitation or suspension of production or monetary fines or civil or

criminal sanctions, or other future liabilities. iBio CDMO is also subject to laws and regulations governing the destruction and disposal of raw materials and the handling and disposal of regulated material.

Not only will our customers' products be subject to the regulatory approvals discussed above that our proprietary products will be subject to, but our facility is subject to governmental approval for the testing or manufacturing of products If our manufacturing facility is not able to demonstrate compliance with cGMPs, pass other aspects of pre-approval inspections or properly scale up to produce commercial supplies, the FDA or other regulatory agencies can delay approval of a customers' drug candidate.

In addition, if new legislation or regulations are enacted or existing legislation or regulations are amended or are interpreted or enforced differently, we may be required to obtain additional approvals or operate according to different manufacturing or operating standards. This may require a change in our development and manufacturing techniques or additional capital investments in our facility. Any related costs may be significant. If we fail to comply with applicable regulatory requirements in the future, then we may be subject to warning letters and/or civil or criminal penalties and fines, suspension or withdrawal of regulatory approvals, product recalls, seizure of products, restrictions on the import and export of our products, debarment, exclusion, disgorgement of profits, operating restrictions and criminal prosecution and the loss of contracts and resulting revenue losses. Inspections by regulatory authorities that identify any deficiencies could result in remedial actions, production stoppages or facility closure, which would disrupt the manufacturing process and supply of product to our customers. In addition, such failure to comply could expose us to contractual and product liability claims, including claims by customers for reimbursement for lost or damaged active pharmaceutical ingredients or recall or other corrective actions, the cost of which could be significant.

The FDA and comparable government authorities having jurisdiction in the countries in which we or our customers intend to market their products have the authority to withdraw product approval or suspend manufacture if there are significant problems with raw materials or supplies, quality control and assurance or the product we manufacture is adulterated or misbranded. If our manufacturing facilities and services are not in compliance with the FDA and comparable government authorities, we may be unable to obtain or maintain the necessary approvals to continue manufacturing products for our customers, which would materially adversely affect our financial condition and results of operations.

We may be unable to manage our future growth effectively, which could make it difficult to execute our business strategy.

We intend to grow our business operations as demand increases and increase the number of our employees to accommodate such potential growth, which may cause us to experience periods of rapid growth and expansion. This potential future growth could create a strain on our organizational, administrative and operational infrastructure, including manufacturing operations, quality control, technical support and other administrative functions. Our ability to manage our growth properly will require us to continue to improve our operational, financial and management controls.

As our commercial operations and sales volume grow, we will need to continue to increase our capacity for manufacturing, customer service, billing and general process improvements and expand our internal quality assurance program, among other things. We may also need to purchase additional equipment, some of which can take several months or more to procure, set up and validate, and increase our manufacturing, maintenance, software and computing capacity to meet increased demand. These increases in scale, expansion of personnel, purchase of equipment or process enhancements may not be successfully implemented.

If we are unable to protect the confidentiality of our customers' proprietary information, we may be subject to claims.

Many of the formulations used and processes developed by us in manufacturing our customers' products are subject to trade secret protection, patents or other intellectual property protections owned or licensed by such customer. While we make significant efforts to protect our customers' proprietary and confidential information, including requiring our employees to enter into agreements protecting such information, if any of our employees breaches the non-disclosure provisions in such agreements, or if our customers make claims that their proprietary information has been disclosed, our reputation may suffer damage and we may become subject to legal proceedings that could require us to incur significant expenses and divert our management's time, attention and resources.

If we acquire companies, products or technologies, we may face integration risks and costs associated with those acquisitions that could negatively impact our business, results from operations and financial condition.

If we are presented with appropriate opportunities, we may acquire or make investments in complementary companies, products or technologies. We may not realize the anticipated benefit of any acquisition or investment. If we acquire companies or technologies, we will face risks, uncertainties and disruptions associated with the integration process, including difficulties in the integration of the operations of an acquired company, integration of acquired technology with our products, diversion of our management's attention from other business concerns, the potential loss of key employees or customers of the acquired business, and impairment charges if future acquisitions are not as successful as we originally anticipate. In addition, our operating results may suffer because of acquisition-related costs or amortization expenses or charges relating to acquired intangible assets. Any failure to successfully integrate other companies, products, or technologies that we may acquire may have a material adverse effect on our business and results of operations. Furthermore, we may have to incur debt or issue equity securities to pay for any additional future acquisitions or investments, the issuance of which could be dilutive to our existing stockholders.

We rely on third parties to supply the raw materials needed to operate our CDMO business and our research and development activities and do not have any long-term commitments from such suppliers.

We currently rely on third parties for the raw materials needed to operate our CDMO business and our research and development activities. We do not have any long-term commitments from any raw material suppliers and therefore cannot guarantee that there will be adequate supply of our raw materials. Natural disasters or other disruptions at any of our suppliers' facilities may impair or delay the delivery of our products. Influenza or other pandemics, such as the new coronavirus, could disrupt production of our products, reduce demand for certain of our products, or disrupt the marketplace in the foodservice or retail environment with consequent material adverse effects on our results of operations. To the extent we are unable to, or cannot, financially mitigate the likelihood or potential impact of such events, or effectively manage such events if they occur, particularly when a product is sourced from a single location, there could be a material adverse effect on our business and results of operations, and additional resources could be required to restore our supply chain. Although we believe we have sufficient supply of our other raw materials at this time, due to supply chain shortages, we may not be able to obtain such materials in the future is our current suppliers should be unable to satisfy our needs. Such suppliers may not be able to provide us with engines in a timely manner due to supply chain shortages and even if other suppliers are able to fulfill our needs they may not be able to do so at the same price as we currently pay for such materials, which could result in lower profit margins or us increasing the price of our services in order to maintain profit margins which could adversely impact demand for our services.

Risks Relating to Our Common Stock

iBio is subject to compliance under the NYSE American continued listing standards of the NYSE American Company Guide, the failure of which can result in delisting from the NYSE American.

In order to maintain its listing with NYSE American, we must remain in compliance with the continued listing standards as set forth in the NYSE American Company Guide (the "Company Guide"), including the listing standard set forth in Section 1003 of the Guide, which applies if a listed company has stockholders' equity below certain threshold amounts and has sustained losses from continuing operations and/or net losses in its five most recent fiscal years. In the past, we have received notification of noncompliance with the continued listing requirements, which to date have been remediated

There can be no assurance that we will continue to meet all of the Exchange's continued listing standards, or exemptions therefrom, in the future.

Provisions in our certificate of incorporation, bylaws and under Delaware law could discourage a takeover that stockholders may consider favorable.

Provisions of our certificate of incorporation, bylaws and provisions of applicable Delaware law may discourage, delay or prevent a merger or other change in control that a stockholder may consider favorable. Pursuant to our certificate of incorporation, our Board of Directors may issue additional shares of common stock or preferred stock. Any additional issuance of common stock could have the effect of impeding or discouraging the acquisition of control of us by means of a merger, tender offer, proxy contest or otherwise, including a transaction in which our stockholders would receive a premium over the market price for their shares, and thereby protect the continuity of our management. Specifically, if in the due exercise of its fiduciary obligations, the Board of Directors were to determine that a takeover proposal was not in our best interest, shares could be issued by our Board of Directors without stockholder approval in one or more transactions that might prevent or render more difficult or costly the completion of the takeover by:

- diluting the voting or other rights of the proposed acquirer or insurgent stockholder group,
- putting a substantial voting bloc in institutional or other hands that might undertake to support the incumbent Board of Directors, or
- effecting an acquisition that might complicate or preclude the takeover.

Our certificate of incorporation also allows our Board of Directors to fix the number of directors in the by-laws. Our certificate of incorporation does not contemplate cumulative voting in the election of directors and thus, under Delaware law, cumulative voting in the election of directors is not permitted. Our Board of Directors is divided into three classes, each of which serves for a staggered term of three years. This division of our Board of Directors could have the effect of impeding an attempt to take over our company or change or remove management, since only one class will be elected annually. Thus, only approximately one-third of the existing Board of Directors could be replaced at any election of directors.

The effect of these provisions may be to delay or prevent a tender offer or takeover attempt that a stockholder may determine to be in his, her or its best interest, including attempts that might result in a premium over the market price for the shares held by the stockholders.

We do not anticipate paying cash dividends for the foreseeable future, and therefore investors should not buy our stock if they wish to receive cash dividends.

We have never declared or paid any cash dividends or distributions on our capital stock. We currently intend to retain our future earnings to support operations and to finance expansion and therefore we do not anticipate paying any cash dividends on our common stock in the foreseeable future.

The issuance of preferred stock could adversely affect the rights of the holders of shares of our common stock.

Our Board of Directors is authorized to issue up to 1,000,000 shares of preferred stock without any further action on the part of our stockholders. Our Board of Directors has the authority to fix and determine the voting rights, rights of redemption and other rights and preferences of preferred stock. Currently, we have one share of preferred stock outstanding. Our Board of Directors may, at any time, designate a new series of preferred stock that would grant to holders the preferred right to our assets upon liquidation, the right to receive dividend payments before dividends are distributed to the holders of common stock, and the right to the redemption of the shares, together with a premium, before the redemption of our common stock and authorize the issuance of such series of preferred stock, which may have a material adverse effect on the rights of the holders of our common stock. In addition, our Board of Directors, without further stockholder approval, may, at any time, issue large blocks of preferred stock. In addition, the ability of our Board of Directors to designate and issue shares of preferred stock without any further action on the part of our stockholders may impede a takeover of our company and may prevent a transaction that is favorable to our stockholders.

We rely extensively on our information technology systems and are vulnerable to damage and interruption

We rely on our information technology systems and infrastructure to process transactions, summarize results and manage our business, including maintaining client and supplier information. Additionally, we utilize third parties, including cloud providers, to store, transfer and process data. Our information technology systems, as well as the systems of our suppliers and other partners, whose systems we do not control, are vulnerable to outages and an increasing risk of continually evolving deliberate intrusions to gain access to company sensitive information. Likewise, data security incidents and breaches by employees and others with or without permitted access to our systems pose a risk that sensitive data may be exposed to unauthorized persons or to the public. A cyber-attack or other significant disruption involving our information technology systems, or those of our vendors, suppliers and other partners, could also result in disruptions in critical systems, corruption or loss of data and theft of data, funds or intellectual property. A security breach of any kind, including physical or electronic break-ins, computer viruses and attacks by hackers, employees or others, could expose us to risks of data loss, litigation, government enforcement actions, regulatory penalties and costly response measures, and could seriously disrupt our operations. We may be unable to prevent outages or security breaches in our systems. We remain potentially vulnerable to additional known or yet unknown threats as, in some instances, we, our suppliers and our other partners may be unaware of an incident or its magnitude and effects. We also face the risk that we expose our vendors or partners to cybersecurity attacks. Any or all of the foregoing could harm our reputation and adversely affect our results of operations and our business reputation.

The market price of our common stock has been and may continue to be volatile and adversely affected by various factors.

Our stock price has fluctuated in the past, has recently been volatile and may be volatile in the future. By way of example, on December 31, 2020, the price of our common stock closed at $1.05 per share while on February 9, 2021, our stock price closed at $2.62 per share with no discernable announcements or developments by us or third parties. On February 3, 2021, the intra-day sales price of our common stock fluctuated between a reported low sale price of $1.78 and a reported high sales price of $2.24. We may incur rapid and substantial decreases in our stock price in the foreseeable future that are unrelated to our operating performance or prospects. In addition, the recent outbreak of the novel strain of coronavirus (COVID-19) has caused broad stock market and industry fluctuations. The stock market in general and the market for biotechnology and pharmaceutical companies in particular have experienced extreme volatility that has often been unrelated to the operating performance of particular companies. As a result of this volatility, investors may experience losses on their investment in our common stock. The market price of our common stock could fluctuate significantly in response to various factors and events, including:

- investor reaction to our business strategy;
- the success of competitive products or technologies;
- our continued compliance with the listing standards of the NYSE American;
- results of our preclinical and clinical trials;
- actions taken by regulatory agencies with respect to our products, clinical studies, manufacturing process or sales and marketing terms;
- variations in our financial results or those of companies that are perceived to be similar to us;
- developments or disputes concerning patents or other proprietary rights, including patents, litigation matters and our ability to obtain patent protection for our products;
- our ability or inability to raise additional capital and the terms on which we raise it;
- declines in the market prices of stocks generally;

- trading volume of our common stock;
- sales of our common stock by us or our stockholders;
- announcements of licensing or other business development initiatives
- general economic, industry and market conditions; and
- other events or factors, including those resulting from such events, or the prospect of such events, including war, terrorism and other international conflicts, public health issues including health epidemics or pandemics, such as the recent outbreak of the novel coronavirus (COVID-19), and natural disasters such as fire, hurricanes, earthquakes, tornados or other adverse weather and climate conditions, whether occurring in the United States or elsewhere, could disrupt our operations, disrupt the operations of our suppliers or result in political or economic instability.

These broad market and industry factors may seriously harm the market price of our common stock, regardless of our operating performance. Since the stock price of our common stock has fluctuated in the past, has been recently volatile and may be volatile in the future, investors in our common stock could incur substantial losses. In the past, following periods of volatility in the market, securities class-action litigation has often been instituted against companies. Such litigation, if instituted against us, could result in substantial costs and diversion of management's attention and resources, which could materially and adversely affect our business, financial condition, results of operations and growth prospects. There can be no guarantee that our stock price will remain at current prices or that future sales of our common stock will not be at prices lower than those sold to investors.

Reports published by securities or industry analysts, including projections in those reports that exceed our actual results, could adversely affect our common stock price and trading volume.

Securities research analysts, including those affiliated with our underwriters from prior offerings, establish and publish their own periodic projections for our business. These projections may vary widely from one another and may not accurately predict the results we actually achieve. Our stock price may decline if our actual results do not match securities research analysts' projections. Similarly, if one or more of the analysts who writes reports on us downgrades our stock or publishes inaccurate or unfavorable research about our business or if one or more of these analysts ceases coverage of our company or fails to publish reports on us regularly, our stock price or trading volume could decline. While we expect securities research analyst coverage to continue going forward, if no securities or industry analysts begin to cover us, the trading price for our stock and the trading volume could be adversely affected**.**

We are a "smaller reporting company", and the reduced disclosure requirements applicable to smaller reporting companies may make our common stock less attractive to investors.

We are a "smaller reporting company" as defined in Rule 12b-2 promulgated under the Exchange Act. We may remain a smaller reporting company until we have a non-affiliate public float in excess of $250 million and annual revenues in excess of $100 million, or a non-affiliate public float in excess of $700 million, each as determined on an annual basis. For so long as we remain smaller reporting company, we are permitted and may take advantage of specified reduced reporting and other burdens that are otherwise applicable generally to public companies. These provisions include:

- an exemption from compliance with the auditor attestation requirement of Section 404 of the Sarbanes-Oxley Act of 2002, or the Sarbanes-Oxley Act, on the design and effectiveness of our internal controls over financial reporting;
- an exemption from compliance with any requirement that the Public Company Accounting Oversight Board may adopt regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the financial statements; and

- reduced disclosure about our executive compensation arrangements.

We cannot predict whether investors will find our common stock less attractive if we rely on such exemptions. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and the market price of our common stock may be more volatile.

If we fail to maintain an effective system of internal control over financial reporting, we may not be able to accurately report our financial results or prevent fraud. As a result, security holders could lose confidence in our financial and other public reporting, which would harm our business and the trading price of our common stock.

Effective internal control over financial reporting is necessary for us to provide reliable financial reports and, together with adequate disclosure controls and procedures, is designed to prevent fraud. Any failure to implement required new or improved controls, or difficulties encountered in their implementation could cause us to fail to meet our reporting obligations. In addition, any testing by us, as and when required, conducted in connection with Section 404 of the Sarbanes-Oxley Act, or Section 404, or any subsequent testing by our independent registered public accounting firm, as and when required, may reveal deficiencies in our internal control over financial reporting that are deemed to be material weaknesses or that may require prospective or retroactive changes to our financial statements or identify other areas for further attention or improvement. During the fiscal year 2020 fourth quarter, we identified material weaknesses in our internal control over financial reporting. Although we have remedied the identified material weaknesses, there can be no assurance that we will not in the future encounter additional material weaknesses in internal control, especially in light of our small internal accounting staff and overall growth. As a growing company, implementing and maintaining effective controls may require more resources, and we may encounter internal control integration difficulties. Inferior internal controls could also cause investors to lose confidence in our reported financial information, which could have a negative effect on the trading price of our common stock.

Pursuant to Section 404, we will be required to furnish a report by our management on our internal control over financial reporting. However, as a smaller reporting company, we will not be required to include an attestation report on internal control over financial reporting issued by our independent registered public accounting firm until we are no longer a smaller reporting company. To achieve compliance with Section 404 within the prescribed period, we are engaged in a process to document and evaluate our internal control over financial reporting, which is both costly and challenging. In this regard, we will need to continue to dedicate internal resources, potentially engage outside consultants and adopt a detailed work plan to assess and document the adequacy of internal control over financial reporting, continue steps to improve control processes as appropriate, validate through testing that controls are functioning as documented and implement a continuous reporting and improvement process for internal control over financial reporting. Despite our efforts, there is a risk that we will not be able to conclude within the prescribed timeframe that our internal control over financial reporting is effective as required by Section 404. This could result in an adverse reaction in the financial markets due to a loss of confidence in the reliability of our financial statements.

Item 1B. Unresolved Staff Comments.

None.

Item 2. Property.

As discussed above, iBio CDMO's primary operations take place in Bryan, Texas, in a facility controlled iBio CDMO leases from the Second Eastern Affiliate as sublandlord. The facility is a 130,000-square foot Class A life sciences building located on land owned by the Texas A&M system, designed and equipped for plant-made development and manufacture of biopharmaceuticals. iBio CDMO has a 34-year sublease for the facility that terminates in 2050 which may be extended by iBio CDMO for a ten-year period, so long as iBio CDMO is not in default under the lease.

Under the Sublease, iBio CDMO is required to pay base rent at an annual rate of $2,100,000, paid in equal quarterly installments on the first day of each February, May, August and November. The base rent is subject to increase annually in accordance with increases in the Consumer Price Index ("CPI"). The base rent under the Second Eastern Affiliate's ground lease for the property is subject to adjustment, based on an appraisal of the property, in 2030 and upon any extension

of the ground lease. The base rent under the Sublease will be increased by any increase in the base rent under the ground lease as a result of such adjustments. iBio CDMO is also responsible for all costs and expenses in connection with the ownership, management, operation, replacement, maintenance and repair of the property under the Sublease.

In addition to the base rent, iBio CDMO is required to pay, for each calendar year during the term, a portion of the total gross sales for products manufactured or processed at the facility, equal to 7% of the first $5,000,000 of gross sales, 6% of gross sales between $5,000,001 and $25,000,000, 5% of gross sales between $25,000,001 and $50,000,000, 4% of gross sales between $50,000,001 and $100,000,000, and 3% of gross sales between $100,000,001 and $500,000,000. However, if for any calendar year period from January 1, 2018 through December 31, 2019, iBio CDMO's applicable gross sales are less than $5,000,000, or for any calendar year period from and after January 1, 2020, its applicable gross sales are less than $10,000,000, then iBio CDMO is required to pay the amount that would have been payable if it had achieved such minimum gross sales and shall pay no less than the applicable percentage for the minimum gross sales for each subsequent calendar year.

On September 11, 2021 iBio entered into a lease with SAN DIEGO INSPIRE 4, LLC for approximately11,383 square feet of lab and office space at 11750 Sorrento Valley Road in San Diego, CA. The lease will commence upon completion of the build out of the facility estimated to be in January 2022. The lease is for seven years and four months. The lease is triple net with Base Rent starting at $4.50 per month per square foot escalating approximately 3.0 percent per year during the lease term. iBio will use the facility primarily for R&D associated with its biologic product portfolio.

Item 3. Legal Proceedings.

Lawsuits

On May 4, 2021, iBio, Inc. (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, resolved the Company's claims to ownership of certain plant-based technology developed by FhUSA from 2003 through 2014, and set 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 which was paid no later than May 14, 2021 (which was 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 provides 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 estimated aggregate net cash recovery as a result of the Settlement Agreement will be approximately $10,200,000. The Company will recognize the $1.8 million of license revenue when it determines collection of the license fees are reasonably assured.

The Settlement Agreement provided that within three business days of confirmation of receipt in full of the initial $16,000,000 payment, the Company and FhUSA will submit a stipulated order dismissing all claims with prejudice asserted in the Lawsuit. That stipulated order was entered by the Delaware Chancery Court in May 2021. The Settlement Agreement also contained a mutual release by the Company and FhUSA of all claims and counterclaims through the date of the Settlement Agreement.

Item 4. Mine Safety Disclosures.

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Market Information

Our common stock is traded on the NYSE American under the trading symbol "IBIO."

Holders

As of September 8, 2021, there were 52 holders of record of our common stock.

Dividends

We have never declared or paid any cash dividends on our common stock. Dividends on our common stock cannot be declared or paid or set aside for payment or other distribution unless all accrued dividends on all outstanding shares of Preferred Tracking Stock are paid in full.

The Preferred Tracking Stock accrues dividends at the rate of 2% per annum on the original issue price. Accrued dividends are cumulative and are payable if and when declared by the Board of Directors, upon an exchange of the shares of Preferred Tracking Stock and upon our liquidation, winding up or deemed liquidation (such as a merger) of the Company. As of June 30, 2021, no dividends have been declared. Accrued dividends total approximately $1,131,000 at June 30, 2021.

Recent Sales of Unregistered Securities

There were no sales of unregistered securities other than as set forth in documents previously filed by the Company with the SEC.

Item 6. Selected Financial Data.

The information under this Item is not required to be provided by smaller reporting companies.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion of our financial condition and results of operations should be read together with our financial statements and the notes thereto and other information included elsewhere in this Annual Report on Form 10-K.

Overview

We are a developer of next-generation biopharmaceuticals and pioneer of the sustainable *FastPharming* Manufacturing System. The Company applies its licensed and owned technologies to develop novel products to treat or prevent fibrotic diseases, cancers, and infectious diseases. We use our *FastPharming* Manufacturing System ("*FastPharming*" or the "*FastPharming System*") and *Glycaneering* Services™ to more rapidly build a portfolio of high quality biologic drug candidates in human clinical trials. We are also using the *FastPharming* System to create proteins for others by contract or via the Company's catalog.

We operate in two segments: (i) ***Biopharmaceuticals***: which includes development and licensing in two business units; Therapeutics (focused on oncology, as well as fibrotic and infectious diseases) and Vaccines (human and animal health vaccines), and (ii) ***Bioprocessing*** which includes Services (*FastPharming* Process Development and Manufacturing, as well as Bioanalytical and other services) and Products (growth factors, lectins, and monoclonal antibodies) for research and further manufacturing uses, collectively known as our Research & Bioprocess products ("RBP").

Results of Operations

Revenue

Gross revenue for 2021 and 2020 was approximately $2.4 million and $1.6 million respectively, an increase of 50% The increase is primarily attributable to the timing of the completion of deliverables for individual customers. We do not have recurring contracts, so revenue can be highly variable year to year. In 2021, the Company entered into a Master Manufacturing Services and Supply Agreement ("MSA") with Lung Bio to produce recombinant human collagen-based bioinks for 3D-bioprinted organ transplants. Revenue earned from the MSA totaled $0.9 million. This MSA is in the process of being terminated. Additionally in 2021, Revenue earned from four other third-party customers totaled $1.5 million. In 2020, we entered into a strategic relationship with CC-Pharming earning $1.3 million in revenue in 2020 with an additional $.3 million generated from other customers.

Significant quarter-to-quarter revenue variability is commonplace for early-stage pharma services companies, given the relatively small number of contracts and timing of revenue recognition. Based upon the current outlook, iBio expects a sequential decline in revenueduringthe first half of fiscal 2022compared to the second half of fiscal 2021,followed by higher growthin the secondhalf of fiscal 2022. Irrespective of quarterly fluctuations, continued year-on-year revenue growth is anticipated.

Research and Development Expenses

Research and development expenses for 2021 and 2020 were approximately $10.0 million and $3.6 million, respectively, an increase of $6.4 million. The increase primarily related to the ramp up of activities related to our internal pipeline including an increase in research and development personnel and consulting costs of approximately $2.6 million, an increase in lab consumables of $2.8 million, and other various expense increases. While iBio expects R&D will continue to grow in fiscal 2022, it anticipates a slower growth rate compared to fiscal 2021.

General and Administrative Expenses

General and administrative expenses for 2021 and 2020 were approximately $22.0 million and $11.4 million respectively, an increase of $10.6 million. General and administrative expenses principally include officer and employee salaries and benefits, depreciation and amortization, professional fees, facility repairs and maintenance, rent, utilities, consulting services, operational costs and other costs associated with being a publicly traded company. The increase is primarily attributable to additional personnel costs of $2.7 million, facility repair and maintenance of $2.3 million, consulting fees of $2.0 million, legal fees of $1.6 million, and recruiting expense of $1.3 million. While iBio expect SG&A will continue to grow in fiscal 2022, it anticipates a slower growth rate compared to fiscal 2021.

Other Income (Expense)

Other income (expense) for 2021 and 2020 was $7.9 million and ($2.4) million, an increase of $10.3 million. The increase is primarily attributable to Settlement Income of $10.2 million related to the Fraunhofer IP settlement.

Net Loss Attributable to Noncontrolling Interest

This represents the share of the loss in iBio CDMO for the Eastern Affiliate in 2021 and 2020.

Liquidity and Capital Resources

As of June 30, 2021, we had cash of $77.4 million as compared to $55.1 million as of June 30, 2020. Given that our total cash and investment in debt securities as of June 30, 2021, approximated $97.0 million, we believe that our current cash will be sufficient to support our current operations through the first quarter of calendar year 2023.

The following equity transactions occurred during Fiscal 2021:

1. On June 17, 2020, as amended on July 29, 2020, the Company entered into an equity distribution agreement with UBS Securities, LLC ("UBS") as sales agent pursuant to which the Company could sell from time to time shares of its common stock through UBS, for the sale of up to $72,000,000 of shares of the Company's common stock. This “At-The-Market” facility included the remaining portion of the Lincoln Park facility. The offering was terminated by the Company on November 25, 2020. The Company issued 30.2 million shares of the Company’s common stock for net proceeds of approximately $68.83 million

2. On December 8, 2020, we entered into an underwriting agreement (the “Underwriting Agreement”) with Cantor Fitzgerald as underwriter, pursuant to which we (i) issued and sold in a public offering (the “Offering”) 29,661,017 shares of common stock to Cantor Fitzgerald and (ii) granted Cantor Fitzgerald an option for 30 days to purchase up to an additional 4,449,152 shares of common stock that may be sold upon the exercise of such option by Cantor Fitzgerald. In January 2021, Cantor Fitzgerald notified us of its decision to partially exercise the option, and on January 11, 2021, we issued an additional 4,240,828 shares of common stock to satisfy the underwriter’s option exercise for an additional net proceeds of approximately $4.6 million. We issued a total of 33.9 million shares of common stock for net proceeds of approximately $36.9 million.

3. On February 24, 2021, Cantor Fitzgerald sold as sales agent pursuant to the Sales Agreement 113,200 shares of common stock. The Company received net proceeds of approximately $238,000.

4. On May 7, 2021, Cantor Fitzgerald sold as sales agent pursuant to the Sales Agreement 1,716,800 shares of common stock. The Company received net proceeds of approximately $2.995 million.

Net Cash Used in Operating Activities

In Fiscal 2021, net cash used in operating activities was $30.1 million, compared to net cash used in operating activities of $13.3 million in Fiscal 2020. The increase in cash used in operating activities in 2021 as compared to 2020 was attributable to increased expenditures to support our business strategy.

Net Cash Used in Investing Activities

In Fiscal 2021, net cash used in investing activities was $26.5 million, which primarily consisted of the purchase of debt securities and the purchase of fixed assets offset by redemptions of debt securities. In Fiscal 2020, our net cash used in investing activities was $1.1 million, which primarily consisted of the purchase of fixed assets.

Net Cash Provided by Financing Activities

In Fiscal 2021, net cash provided by financing activities was $78.8 million, compared to net cash provided by financing activities of $65.2 million in Fiscal 2020. Net cash generated by financing activities in 2021 and 2021 was primarily the result of the issuance of common stock.

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 June 30, 2021, our accumulated deficit was approximately $173.6 million, and we used approximately $30.1 million of net cash for operating activities for Fiscal 2021.

We plan to fund our future business operations using cash on hand, through proceeds realized in connection with the commercialization of our technologies and proprietary products, license and collaboration arrangements and the operation of iBio CDMO, through the collection or proceeds from our settlement with Fraunhofer, through potential proceeds from the sale or out-licensing of assets, and through proceeds from the sale of additional equity or other securities. We cannot be certain that such funding will be available on favorable terms or available at all. To the extent that the Company raises additional funds by issuing equity securities, its stockholders may experience significant dilution. If we are unable to raise funds when required or on favorable terms, this assumption may no longer be operative, and we may have to: a) significantly delay, scale back, or discontinue the product application and/or commercialization of our proprietary technologies; 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; or d) possibly cease operations.

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 (SPEs), which would have been established for the purpose of facilitating off-balance sheet arrangements or other contractually limited purposes. As of June 30, 2021, we were not involved in any SPE transactions.

Critical Accounting Policies and Estimates

A critical accounting policy is one that is both important to the portrayal of a company's financial condition and results of operations and requires management's most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain.

Our consolidated financial statements are presented in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). All applicable U.S. GAAP accounting standards effective as of June 30, 2021 have been taken into consideration in preparing the consolidated financial statements. The preparation of 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. 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:

- valuation of intellectual property;
- 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 3 to the consolidated financial statements in this Annual Report for a complete discussion of our significant accounting policies and estimates.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

The information under this Item is not required to be provided by smaller reporting companies.

Item 8. Financial Statements and Supplementary Data.

Financial statements and notes thereto appear on pages F-1 to F-44 of this Annual Report on Form 10-K.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures.

(a) Evaluation of Disclosure Controls and Procedures

Our management, under the direction of our Chief Executive Officer and Chief Financial Officer have evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, as amended, as of June 30, 2021. 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 the Company's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. The Company's 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 Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures were effective as of June 30, 2021.

Management's Report on Internal Control over Financial Reporting

It is the responsibility of the management of iBio to establish and maintain effective internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act). Internal control over financial reporting is designed to provide reasonable assurance to iBio's management and board of directors regarding the preparation of reliable financial statements for external purposes in accordance with generally accepted accounting principles.

iBio's internal control over financial reporting includes those policies and procedures that: (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of iBio; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of iBio are being made only in accordance with authorizations of management and directors of iBio; and (iii) provide reasonable assurance regarding the prevention or timely detection of unauthorized acquisition, use or disposition of iBio's assets that could have a material effect on the financial statements of iBio.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial

statement preparation and presentation. Management has performed an assessment of the effectiveness of iBio's internal control over financial reporting as of June 30, 2021, based upon criteria set forth in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 COSO Framework).

Based on this assessment, management has concluded that our internal control over financial reporting were effective as of June 30, 2021.

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 June 30, 2021, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Report of Independent Registered Public Accounting Firm

This Annual Report on Form 10-K does not include an attestation report by CohnReznick LLP ("CohnReznick"), our independent registered public accounting firm, regarding internal control over financial reporting. As a smaller reporting company, our internal control over financial reporting was not subject to audit by our independent registered public accounting firm pursuant to rules of the Securities and Exchange Commission that permit us to provide only management's report.

Item 9B. Other Information.

On September 23, 2021, the Board of Directors approved the award of a cash bonus to Mr. Isett of $509,000 and a grant of an option to purchase two million (2,000,000) shares of our common stock with an exercise price of $1.17, which vest in equal monthly installments over a 36-month period following the grant date, subject to the conditions of the iBio, Inc. 2020 Omnibus Incentive Plan, as amended.

Item 9C. Disclosure Regarding Foreign Jurisdictions That Prevent Inspections.

Not applicable

PART III

Certain information required by Part III is omitted from this Annual Report because we intend to file our definitive proxy statement for our 2021 Annual Meeting of Stockholders, pursuant to regulation 14A of The Exchange Act, not later than 120 days after the end of the fiscal year covered by this Annual Report and certain information to be included in the definitive proxy statement is incorporated herein by reference.

Item 10. Directors, Executive Officers and Corporate Governance

Information required by this Item that will appear under the headings "Governance," "Executive Officers," and "Delinquent Section 16(a) Reports" in the definitive proxy statement to be filed with the SEC relating to our 2021 Annual Meeting of Stockholders is incorporated herein by reference.

Code of Ethics

We have adopted a written code of ethics within the meaning of Item 406 of SEC Regulation S-K, which applies to all of our employees, including our principal executive officer and our chief financial officer, a copy of which can be found on our website at www.ibioinc.com. If we make any waivers or substantive amendments to the code of ethics that are applicable to our principal executive officer or our chief financial officer, we will disclose the nature of such waiver or

amendment in a Current Report on Form 8-K in a timely manner. No waivers from any provision of our policy have been granted.

Item 11. Executive Compensation and Director Compensation

Information required by this Item that will appear under the heading “Executive Compensation” and “Director Compensation” in the definitive proxy statement to be filed with the SEC relating to our 2021 Annual Meeting of Stockholders is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Information required by this Item that will appear under the headings “Security Ownership of Certain Beneficial Owners and Management” and “Equity Compensation Plan Information” in the definitive proxy statement to be filed with the SEC relating to our 2021 Annual Meeting of Stockholders is incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions, and Director Independence

Information required by this Item that will appear under the headings “Certain Relationships and Related Transactions” and “Independence of Board” in the definitive proxy statement to be filed with the SEC relating to our 2021 Annual Meeting of Stockholders is incorporated herein by reference.

Item 14. Principal Accounting Fees and Services

Information required by this Item that will appear under the heading “Independent Auditor Fees and Other Matters” in the definitive proxy statement to be filed with the SEC relating to our 2021 Annual Meeting of Stockholders is incorporated herein by reference.

PART IV

Item 15. Exhibits and Financial Statement Schedules.

(a) Exhibits and Index

(1) A list of the financial statements filed as part of this Annual Report is set forth in the index to financial statements at page F-1 and is incorporated herein by reference.

(2) An exhibit index is incorporated by reference or filed with this Annual Report is provided below:

Item 16. Form 10-K Summary

Not Applicable

Exhibit No.	Description
1.1	Equity Distribution Agreement dated June 17, 2020, by and between iBio, Inc. and UBS Securities LLC (incorporated herein by reference to Exhibit 1.1 to the Current Report on Form 8-K, filed with by the Company with the Securities and Exchange Commission on June 17, 2020 – Commission File No. 001-35023))
1.2	Amendment No. 1 to Equity Distribution Agreement, dated June 29, 2020, by and between iBio, Inc. and UBS Securities LLC (incorporated herein by reference to Exhibit 1.1 to the Current Report on Form 8-K filed by the Company with the Securities and Exchange Commission on June 29, 2020 – Commission File No. 001-35023))
1.3	Controlled Equity Offering℠ Sales Agreement, dated as of November 25, 2020, by and between iBio, Inc. and Cantor Fitzgerald & Co. (incorporated herein by reference to Exhibit Number 1.1 to the Company's registration statement on Form S-3 (File No. 333-250973) filed by the Company with the Securities and Exchange Commission on November 25, 2020 – Commission File No. 001-35023)
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 by the Company with the Securities and Exchange Commission on May 11, 2018 – Commission File No. 001-35023)
3.2	Certificate of Amendment of the Certificate of Incorporation of iBio, Inc. (incorporated herein by reference to Exhibit 3.2 to the Quarterly Report on Form 10-Q filed by the Company with the Securities and Exchange Commission on February 14, 2018 – Commission File No. 001-35023)
3.3	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 by the Company with the Securities and Exchange Commission on June 8, 2018 – Commission File No. 001-35023)
3.4	First Amended and Restated Bylaws of iBio, Inc. (incorporated herein by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K filed by the Company with the Securities and Exchange Commission on August 14, 2009 – Commission File No. 000-53125)
3.5	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)

3.6	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)
3.7	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)
3.8	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)
4.1	Form of Common Stock Certificate (incorporated herein by reference to Exhibit 4.1 to the Company's Form 10-12G filed with the Securities and Exchange Commission on July 11, 2008 – Commission File No. 000-53125)
4.2	Registration Rights Agreement, dated July 24, 2017, between the Company and Lincoln Park Capital Fund, LLC (incorporated herein by reference to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on July 24, 2017 – Commission File No. 001-35023)
4.3	Registration Rights Agreement, dated March 19, 2020, between the Company and Lincoln Park Capital Fund, LLC (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 March 20, 2020 – Commission File No. 001-35023)
4.4	Form of Series A Warrant to Purchase Common Stock (incorporated herein by reference to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on October 28, 2019 – Commission File No. 001-35023)
4.5	Form of Amended and Restated Series A Warrant to Purchase Common Stock (incorporated herein by reference to Exhibit 4.1 the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on February 21, 2020 – Commission File No. 001-35023)
4.6	Form of Series B Warrant to Purchase Common Stock (incorporated herein by reference to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on October 28, 2019 – Commission File No. 001-35023)
4.7	Form of Amended and Restated Series B Warrant to Purchase Common Stock (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 February 21, 2020 – Commission File No. 001-35023)
4.8	Form of Promissory Note, by and between certain holders of the Company's Series A Warrants, in the aggregate principal amount of $3.3 Million (incorporated herein by reference to Exhibit 4.3 to the Current Report on Form 8-K filed by the Company with the Securities and Exchange Commission on February 25, 2020 – Commission File No. 001-35023)
4.9	Warrant Exchange and Amendment Agreement, by and between iBio, Inc. and certain security holders, dated February 20, 2020 (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 25, 2020 – Commission File No. 001-35023)
4.10*	Description of Securities of iBio, Inc.

10.1	Technology Transfer Agreement, dated as of January 1, 2004, between the Company and Fraunhofer USA Center for Molecular Biotechnology, Inc. as amended (incorporated herein by reference to Exhibit 10.6 to the Company's Form 10-12G filed with the Securities and Exchange Commission on June 18, 2008 – Commission File No. 000-53125)
10.2+	Ratification dated September 6, 2013 of Terms of Settlement by and between the Company and Fraunhofer USA Center for Molecular Biotechnology, Inc. (incorporated herein by reference to Exhibit 10.3 to the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2013, filed with the Securities and Exchange Commission on September 30, 2013 – Commission File No. 001-35023).
10.3	Amended and Restated Limited Liability Company Operating Agreement of iBio CDMO LLC, dated January 13, 2016, between the Company, Bryan Capital Investors LLC and iBio CDMO LLC (incorporated herein by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on February 22, 2016 – Commission File No. 001-35023)
10.4	License Agreement, dated January 13, 2016, between the Company and iBio CDMO LLC (incorporated herein by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on February 22, 2016 – Commission File No. 001-35023)
10.5	Sublease Agreement, dated January 13, 2016, between College Station Investors LLC and iBio CDMO LLC (incorporated herein by reference to Exhibit 10.5 to the Company's Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on February 22, 2016 – Commission File No. 001-35023)
10.6	Exchange Agreement, dated February 23, 2017, between iBio, Inc. and Bryan Capital Investors 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 February 24, 2017 – Commission File No. 001-35023)
10.7	Amendment No. 1 to the Amended and Restated Limited Liability Company Agreement of iBio CDMO LLC, dated February 23, 2017 (incorporated herein by reference to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on February 24, 2017 – Commission File No. 001-35023)
10.8†	Form of Directors and Officer Indemnification Agreement (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, 2019 – Commission File No. 001-35023)
10.9†	Executive Employment Agreement, dated as of March 10, 2020, between iBio, Inc. and Thomas F. Isett (incorporated herein by reference to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on March 13, 2020 – Commission File No. 001-35023)
10.10	Purchase Agreement dated as of March 19, 2020 by and between iBio, Inc and Lincoln Park Capital Fund, 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 March 20, 2020 – Commission File No. 001-35023)
10.11†	Amended and Restated Executive Employment Agreement, dated as of April 21, 2020, between iBio, Inc. and Thomas F. Isett (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 24, 2020 – Commission File No. 001-35023)
10.12	Purchase Agreement, dated as of May 13, 2020, between iBio, Inc. and Lincoln Park Capital Fund, 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 March 20, 2020 – Commission File No. 001-35023)

10.13†	Transition Agreement, dated June 12, 2020, between Robert Kay and 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 17, 2020 – Commission File No. 001-35023)
10.14†	2018 Omnibus Equity Incentive Plan, effective December 18, 2018 (incorporated herein by reference to Exhibit 10.13 to the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission on August 26, 2019 – Commission File No. 001-35023)
10.15†	Amended and Restated 2018 Omnibus Equity Incentive Plan, effective December 18, 2018 (incorporated herein by reference to Appendix B to the Company's Definitive Proxy Statement filed with the Securities and Exchange Commission on January 23, 2020 – Commission File No. 001-35023)
10.16†	Form of Stock Option Agreement by and between iBio, Inc. and Robert Kay (incorporated herein by reference to Exhibit 10.2 to the Current Report on Form 8-K filed by the Company with the Securities and Exchange Commission on June 17, 2020 – Commission File No. 001-35023)
10.17†	Consulting Agreement by and between iBio, Inc. and TechCXO, LLC, dated July 8, 2020 (incorporated herein by reference to Exhibit 10.1 to the Current Report on Form 8-K filed by the Company with the Securities and Exchange Commission on October 5, 2020 – Commission File No. 001-35023)
10.18†	Indemnification Agreement by and between iBio, Inc., John Delta and TechCXO, LLC dated July 13, 2020 (incorporated herein by reference to Exhibit 10.2 to the Current Report on Form 8-K filed by the Company with the Securities and Exchange Commission on October 5, 2020 – Commission File No. 001-35023)
10.19†	Employment Agreement dated October 30, 2020, by and between iBio, Inc. and Randy J. Maddux, effective December 1, 2020 (incorporated herein by reference to Exhibit 10.1 to the Current Report on Form 8-K filed by the Company with the Securities and Exchange Commission on November 3, 2020 – Commission File No. 001-35023)
10.20*†	Employment Agreement dated January 18, 2021, by and between iBio, Inc. and Martin B. Brenner
10.21†	iBio, Inc. 2020 Omnibus Equity Incentive Plan (incorporated by reference to Appendix B to the Definitive Proxy Statement on Schedule 14A filed with the Securities and Exchange Commission on November 3, 2020 – Commission File No. 001-35023)
10.22†	Form of Non-Qualified Stock Option Agreement for Employees under the iBio, Inc. 2020 Omnibus Incentive Plan (incorporated herein by reference to Exhibit 10.2 to the Registration Statement on Form S-8 filed by the Company with the Securities and Exchange Commission on January 11, 2021 – Commission File No. 333-252027)

10.23†	Form of Non-Qualified Stock Option Agreement for Non-Employee Directors (Initial Grant) under the iBio, Inc. 2020 Omnibus Incentive Plan (incorporated herein by reference to Exhibit 10.3 to the Registration Statement on Form S-8 filed by the Company with the Securities and Exchange Commission on January 11, 2021 – Commission File No. 333-252027)
10.24†	Form of Non-Qualified Stock Option Agreement for Non-Employee Directors (Annual Grant) under the iBio, Inc. 2020 Omnibus Incentive Plan (incorporated herein by reference to Exhibit 10.4 to the Registration Statement on Form S-8 filed by the Company with the Securities and Exchange Commission on January 11, 2021 – Commission File No. 333-252027)
10.25†	Form of Restricted Stock Unit Award Agreement for Employees under the iBio, Inc. 2020 Omnibus Incentive Plan (incorporated herein by reference to Exhibit 10.5 to the Registration Statement on Form S-8 filed by the Company with the Securities and Exchange Commission on January 11, 2021 – Commission File No. 333-252027)
10.26†	Form of Restricted Stock Unit Award Agreement for Employees under the iBio, Inc. 2018 Omnibus Equity Incentive Plan, as amended and restated (incorporated herein by reference to Exhibit 10.2 to the Registration Statement on Form S-8 filed by the Company with the Securities and Exchange Commission on January 11, 2021 – Commission File No. 001-35023)
10.27†	Employment Agreement dated February 15, 2021, by and between iBio, Inc. and Robert Lutz, Effective March 4, 2021 (incorporated herein by reference to Exhibit 10.1 to the Current Report on Form 8-K filed by the Company with the Securities and Exchange Commission on February 16, 2021 – Commission File No. 001-35023)
10.28++	Exclusive License Agreement between the Company and University of Pittsburgh dated January 14, 2014 (incorporated herein by reference to Exhibit 10.6 to the Quarterly Report on Form 10-Q filed by the Company with the Securities and Exchange Commission on February 16, 2021 – Commission File No. 001-35023)
10.29++	First Amendment to Exclusive License Agreement between the Company and the University of Pittsburgh dated August 11, 2016 (incorporated herein by reference to Exhibit 10.7 to the Quarterly Report on Form 10-Q filed by the Company with the Securities and Exchange Commission on February 16, 2021 – Commission File No. 001-35023)
10.30	Second Amendment to Exclusive License Agreement between the Company and the University of Pittsburgh dated December 2, 2020 (incorporated herein by reference to Exhibit 10.8 to the Quarterly Report on Form 10-Q filed by the Company with the Securities and Exchange Commission on February 16, 2021 – Commission File No. 001-35023
10.31*++	Confidential Settlement and Mutual Release with Fraunhofer USA, Inc. dated May 4, 2021

10.32†	Employment Agreement, dated as of April 30, 2021, by and between iBio, Inc. and Thomas F. Isett (incorporated herein by reference to Exhibit 10.1 to the Current Report on Form 8-K filed by the Company with the Securities and Exchange Commission on May 6, 2021 – Commission File No. 001-35023)
10.33†	Director Offer Letter (incorporated herein by reference to Exhibit 10.1 to the Current Report on Form 8-K filed by the Company with the Securities and Exchange Commission on June 9, 2021 – Commission File No. 001-35023)
21.1*	Subsidiaries of Registrant
23.1*	Consent of Independent Registered Public Accounting Firm
31.1*	Certification of Periodic Report by Chief 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 and Principal Accounting 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 Chief 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 and Principal Accounting Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	XBRL Instance*
101.SCH	XBRL Taxonomy Extension Schema*
101.CAL	XBRL Taxonomy Extension Calculation*
101.DEF	XBRL Taxonomy Extension Definition*
101.LAB	XBRL Taxonomy Extension Labeled*
101.PRE	XBRL Taxonomy Extension Presentation*

* Filed herewith.

† Management contract or compensatory plan or arrangement required to be identified pursuant to Item 15(a)(3) of this Annual Report.

\+ Certain portions of this exhibit have been omitted subject to a confidential treatment request.

++ Certain portions of this exhibit indicated therein by [**] have been omitted in accordance with Item 601(b)(10) of Regulation S-K.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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)

Dated: September 28, 2021

/s/ Thomas F. Isett 3rd
Thomas F. Isett 3rd
Chairman and Chief Executive Officer

/s/ Robert Lutz
Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated:

Name	Title	Date
/s/Thomas F. Isett 3rd Thomas F. Isett 3rd	Chairman, Chief Executive Officer (Principal Executive Officer)	September 28, 2021
/s/ Robert Lutz Robert Lutz	Chief Financial Officer Officer (Principal Financial Officer and Principal Accounting Officer)	September 28, 2021
/s/Linda Armstrong Linda Armstrong	Director	September 27, 2021
/s/Alexandra Kropotova Alexandra Kropotova	Director	September 27, 2021
/s/William Clark William Clark	Director	September 27, 2021
/s/Eef Schimmelpennink Eef Schimmelpennink	Director	September 27, 2021
/s/Robert B. Kay Robert B. Kay	Director	September 27, 2021
/s/Glenn Chang Glenn Chang	Director	September 27, 2021
/s/James T. Hill General James T. Hill, USA (Retired)	Director	September 27, 2021
/s/John D. McKey, Jr. John D. McKey, Jr.	Director	September 27, 2021
/s/Gary Sender Gary Sender	Director	September 27, 2021

Annual Financial Statements

iBio, Inc.

Financial Statement Index

Report of Independent Registered Public Accounting Firm

The Board of Directors and
Stockholders of iBio, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of iBio, Inc. and Subsidiaries (the "Company") as of June 30, 2021 and 2020, and the related consolidated statements of operations and comprehensive loss, stockholders' equity and cash flows for each of the years then ended, and the related notes (collectively referred to as the "financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of June 30, 2021 and 2020, and the results of its operations and its cash flows for each of the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Settlement Agreement

Critical Audit Matter Description

As described in the notes to the consolidated financial statements, the Company entered into a confidential settlement agreement and mutual release to settle all claims and counterclaims associated with a lawsuit over ownership of, among other things, certain plant-based technology ("Settlement Agreement"). The Company evaluated the terms of the

Settlement Agreement as well as an additional license agreement ("License Agreement") negotiated in conjunction with the Settlement Agreement in accordance with the requirements of Accounting Standards Codification ("ASC") 450, Gain Contingencies, and ASC 606, Revenue Recognition.

The financial reporting for the terms of the Settlement Agreement and License Agreement was identified as a critical audit matter because of the significant judgments made by management in assessing the substance of the components of the payments required under the Settlement Agreement, the likelihood of collectability of the future payments due under the Settlement Agreement as well as the consideration due under the License Agreement and the determination of whether a gain had been realized or is realizable. The assessment of the financial reporting for the terms of the Settlement Agreement and License Agreement required auditor judgement, subjectivity and significant audit effort in performing audit procedures to evaluate the reasonableness of management's conclusions on the Settlement Agreement.

How the Critical Audit Matter was addressed in the Audit

Our principal audit procedures related to the Company's financial reporting for the Settlement Agreement and License Agreement included, among others:

- We obtained an understanding of and evaluated the design and implementation of the controls that address the risk of material misstatement for the financial reporting for gain contingencies and revenue recognition.
- We evaluated the terms of the Settlement Agreement and License Agreement, inquired of management as to their considerations by agreeing to the terms of the Settlement Agreement and License Agreement and performed legal inquiries, including written responses from the Company's external legal counsel and independent confirmation procedures.
- We evaluated the Company's considerations of collectability of amounts under the Settlement Agreement and License Agreement through the evaluation of the support for the standby letter of credit that supports the remaining amounts to be paid under the Settlement Agreement and the evaluation of the credit considerations of the party obligated to make payments to the Company under the License Agreement.
- We evaluated the reasonableness of the Company's conclusion that the gain contingency had been realized or is realizable.
- We evaluated the Company's financial statement disclosures for consistency with our knowledge of the terms of the Settlement Agreement and License Agreement and in accordance with ASC 450 and ASC 606.
- We consulted with our National Office resources in the evaluation of the financial reporting associated with the Settlement Agreement and License Agreement.

/s/ CohnReznick LLP

We have served as the Company's auditor since 2010.

Holmdel, New Jersey

September 28, 2021

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

	June 30, 2021	June 30, 2020
Assets		
Current assets:		
Cash and cash equivalents	$ 77,404	$ 55,112
Accounts receivable - trade	426	75
Settlement receivable - current portion	5,100	—
Subscription receivable	—	5,549
Investments in debt securities	19,570	—
Work in progress	27	798
Prepaid expenses and other current assets	2,070	214
Total Current Assets	104,597	61,748
Note receivable and accrued interest	1,556	—
Settlement receivable - noncurrent portion	5,100	—
Finance lease right-of-use assets, net of accumulated amortization	26,111	27,616
Fixed assets, net of accumulated depreciation	8,628	3,657
Intangible assets, net of accumulated amortization	952	1,144
Security deposits	24	24
Total Assets	$ 146,968	94,189
Liabilities and Equity		
Current liabilities:		
Accounts payable (related parties of $0 and $6 as of June 30, 2021 and 2020, respectively)	$ 2,254	$ 1,759
Accrued expenses (related party of $701 and $705 as of June 30, 2021 and 2020, respectively)	3,001	1,105
Finance lease obligations - current portion	367	301
Note payable - PPP loan - current portion	600	261
Deferred revenue / Contract liabilities	423	1,810
Total Current Liabilities	6,645	5,236
Note payable - PPP loan - net of current portion	—	339
Finance lease obligations - net of current portion	31,755	32,007
Total Liabilities	38,400	37,582
Commitments and Contingencies		
Equity		
iBio, Inc. Stockholders' Equity:		
Common stock - $0.001 par value; 275,000,000 shares authorized at June 30, 2021 and 2020; 217,873,094 and 140,071,110 shares issued and outstanding as of June 30, 2021 and 2020, respectively	217	140
Additional paid-in capital	282,058	206,931
Accumulated other comprehensive loss	(63)	(33)
Accumulated deficit	(173,627)	(150,420)
Total iBio, Inc. Stockholders' Equity	108,585	56,618
Noncontrolling interest	(17)	(11)
Total Equity	108,568	56,607
Total Liabilities and Equity	$ 146,968	94,189

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

iBio, Inc. and Subsidiaries
Consolidated Statements of Operations and Comprehensive Loss
(In Thousands, except per share amounts)

	Years Ended June 30,	
	2021	**2020**
Revenues	$ 2,371	$ 1,638
Cost of goods sold	1,462	703
Gross profit	909	935
Operating expenses:		
Research and development (related party of $0 and $97)	9,989	3,573
General and administrative (related party of $1,587 and $1,143)	22,031	11,365
Total operating expenses	32,020	14,938
Operating loss	(31,111)	(14,003)
Other income (expense):		
Interest income	140	15
Interest expense (related party of $2,446 and $2,466)	(2,454)	(2,466)
Royalty income	12	10
Settlement income	10,200	—
Total other income (expense)	7,898	(2,441)
Consolidated net loss	(23,213)	(16,444)
Net loss attributable to noncontrolling interest	6	5
Net loss attributable to iBio, Inc.	(23,207)	(16,439)
Deemed dividends – down round of Series A Preferred and Series B Preferred	—	(21,560)
Preferred stock dividends – iBio CMO Tracking Stock	(260)	(261)
Net loss attributable to iBio, Inc. stockholders	$ (23,467)	$ (38,260)
Comprehensive loss:		
Consolidated net loss	$ (23,213)	$ (16,444)
Other comprehensive loss - unrealized loss on debt securities	(29)	—
Other comprehensive loss - foreign currency translation adjustments	(1)	(2)
Comprehensive loss	$ (23,243)	$ (16,446)
Loss per common share attributable to iBio, Inc. stockholders - basic and diluted	$ (0.12)	$ (0.61)
Weighted-average common shares outstanding - basic and diluted	195,620	62,795

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

iBio, Inc. and Subsidiaries
Consolidated Statements of Stockholders' Equity
Years Ended June 30, 2021 and 2020
(In Thousands)

	Preferred Stock		Common Stock		Additional Paid-In	Accumulated Other Comprehensive	Accumulated	Noncontrolling	
	Shares	Amount	Shares	Amount	Capital	Loss	Deficit	Interest	Total
Balance as of July 1, 2019	**10**	**$ —**	**20,152**	**$ 20**	**$ 108,295**	**$ (31)**	**$ (105,821)**	**$ (6)**	**$ 2,457**
Capital raises	5	—	40,025	40	68,045	—	—	—	68,085
Costs to raise capital and warrant exchange	—	—	—	—	(2,342)	—	—	—	(2,342)
Compensation shares	—	—	1,316	1	(1)	—	—	—	—
Exercise of warrants	—	—	35,000	35	7,600	—	—	—	7,635
Exercise of stock options	—	—	140	—	130	—	—	—	130
Deemed dividends - down round of Series A Preferred and Series B Preferred	—	—	—	—	21,560	—	(21,560)	—	—
Warrant exchange and deemed dividend	—	—	15,000	15	3,285	—	(6,600)	—	(3,300)
Conversion of preferred stock to common	(9)	—	28,438	29	(29)	—	—	—	—
Share-based compensation	—	—	—	—	388	—	—	—	388
Foreign currency adjustment	—	—	—	—	—	(2)	—	—	(2)
Net loss	—	—	—	—	—	—	(16,439)	(5)	(16,444)
Balance as of June 30, 2020	**6**	**—**	**140,071**	**140**	**206,931**	**(33)**	**(150,420)**	**(11)**	**56,607**
Capital raises	—	—	48,814	48	78,228	—	—	—	78,276
Costs to raise capital	—	—	—	—	(4,713)	—	—	—	(4,713)
Exercise of stock options	—	—	53	—	54	—	—	—	54
Vesting of RSU's	—	—	10	—	1	—	—	—	1
Conversion of preferred stock to common stock	(6)	—	28,925	29	(29)	—	—	—	—
Share-based compensation	—	—	—	—	1,586	—	—	—	1,586
Foreign currency adjustment	—	—	—	—	—	(1)	—	—	(1)
Unrealized loss on available-for-sale debt securities	—	—	—	—	—	(29)	—	—	(29)
Net loss	—	—	—	—	—	—	(23,207)	(6)	(23,213)
Balance as of June 30, 2021	**—**	**$ —**	**217,873**	**$ 217**	**$ 282,058**	**$ (63)**	**$ (173,627)**	**$ (17)**	**$ 108,568**

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

iBio, Inc. and Subsidiaries
Consolidated Statements of Cash Flows
(In Thousands)

	Years Ended June 30,	
	2021	**2020**
Cash flows from operating activities:		
Consolidated net loss	$ (23,213)	$ (16,444)
Adjustments to reconcile consolidated net loss to net cash used in operating activities:		
Share-based compensation	1,586	388
Amortization of intangible assets	291	298
Amortization of finance lease right-of-use assets	1,651	1,661
Depreciation of fixed assets	472	282
Accrued interest income on note receivable	(56)	—
Amortization of premiums on debt securities	216	—
Loss on abandonment of intangible assets	143	—
Changes in operating assets and liabilities:		
Accounts receivable – trade	(426)	22
Accounts receivable – other	(112)	—
Settlement receivable	(10,200)	—
Work in process	772	(798)
Prepaid expenses and other current assets	(1,746)	77
Accounts payable	48	498
Accrued expenses	1,897	140
Deferred revenue / contract liabilities	(1,387)	531
Net cash used in operating activities	(30,064)	(13,345)
Cash flows from investing activities:		
Purchases of debt securities	(23,816)	—
Additions to intangible assets	(242)	(76)
Purchases of fixed assets	(4,920)	(1,078)
Redemption of debt securities	4,000	—
Issuance of note receivable	(1,500)	—
Net cash used in investing activities	(26,478)	(1,154)
Cash flows from financing activities:		
Proceeds from sales of preferred and common stock	78,276	62,363
Proceeds from subscription receivable	5,549	—
Proceeds from exercise of warrants	—	6,330
Proceeds from the exercise of stock options	54	130
Costs to raise capital	(4,713)	(2,170)
Proceeds from PPP loan	—	600
Payments of notes payable – warrant exchange	—	(1,995)
Payment of finance lease obligation	(331)	(66)
Net cash provided by financing activities	78,835	65,192
Effect of exchange rate changes	(1)	(2)
Net increase in cash and cash equivalents	22,292	50,691
Cash and cash equivalents – beginning	55,112	4,421
Cash and cash equivalents - end	$ 77,404	$ 55,112

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

iBio, Inc. and Subsidiaries
Consolidated Statements of Cash Flows
(In Thousands)

	Years Ended June 30,	
	2021	**2020**
Schedule of non-cash activities:		
Legal costs related to Fraunhofer litigation	$ (16,000)	$ —
Legal cost recovery - Fraunhofer litigation	$ 16,000	$ —
Increase in ROU assets under ASC 842	$ 146	$ 7,489
Subscription receivable for capital raise	$ —	$ 5,549
Costs related to subscription receivable, net of costs	$ —	$ 172
Deemed dividends – down round of Series A Preferred and Series B Preferred	$ —	$ 21,560
Deemed dividend – non-cash warrant exchange	$ —	$ 6,600
Issuances of common stock under warrant exchange	$ —	$ 3,300
Issuances of notes payable under warrant exchange	$ —	$ 3,300
Cashless exercise of warrants reducing balance owed for notes payable – warrant exchange	$ —	$ 1,305
Intangible assets included in accounts payable in prior period, paid in current period	$ —	$ 8
Unpaid fixed assets included in accounts payable	$ 791	$ 268
Accounts receivable and accounts payable offset related to Fraunhofer settlement	$ 75	$ —
Unrealized loss on available-for-sale debt securities	$ 29	$ —
Conversion of preferred stock shares into common stock shares	$ 29	$ 29
Compensation shares	—	1
Supplemental cash flow information:		
Cash paid for interest during Fiscal Year 2021	$ 2,446	$ 2,372

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

1. Nature of Business

iBio, Inc. ("we", "us", "our", "iBio", "Ibio, Inc" or the "Company") are a developer of next-generation biopharmaceuticals and pioneer of the sustainable *FastPharming* Manufacturing System®. The Company is applying its licensed and owned technologies to develop novel product candidates to treat or prevent fibrotic diseases, cancers, and infectious diseases. The Company is using its *FastPharming* Manufacturing System ("*FastPharming*" or the "*FastPharming* System") and *Glycaneering* Services™ to rapidly and cost effectively build a portfolio of biologic drug candidates for internal use. The Company is also using the *FastPharming* System to create proteins for others by contract or via the Company's catalog.

The Company operates in two segments: (i)**Biopharmaceuticals:** its biologics development and licensing segment which is focused on drug development in two primary areas: Therapeutics (currently Fibrotics and Oncology) and Vaccines (human and animal health vaccines), and (ii) **Bioprocessing:** focused on two business lines: CDMO Services and Research & Bioprocess Products ("RBP").

Biopharmaceuticals:

Therapeutics

Anti-Fibrotics

Fibrosis is a pathological disorder in which connective tissue replaces normal parenchymal tissue to the extent that it goes unchecked, leading to considerable tissue remodeling and the formation of permanent scar tissue. Fibrosis can occur in many tissues within the body, including the lungs (e.g., idiopathic pulmonary fibrosis ("IPF") and skin (e.g. systemic scleroderma).

Oncology

iBio's oncology efforts seek to identify therapeutics to aid in the treatment of cancer. Although there are a large number of cancer treatments available, significant unmet need exists in many types of cancer for improved treatments. In May 2021, the Company announced plans to establish drug development capabilities in the San Diego, California area, with an initial focus on monoclonal antibodies for use in oncology.

Vaccines

Human Health: SARS-CoV-2

Coronavirus disease 2019 is an infectious disease caused by severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) ("COVID"). It was first identified in December 2019 in Wuhan, Hubei, China, and has resulted in an ongoing pandemic. Common symptoms include fever, cough, fatigue, shortness of breath or breathing difficulties, and loss of smell and taste. Some people develop acute respiratory distress syndrome (ARDS), possibly precipitated by cytokine dysregulation, multi-organ failure, septic shock, and blood clots.

Animal Health: Classical Swine Fever

Classical swine fever ("CSF") is a contagious, often fatal disease affecting both feral and domesticated pigs. Outbreaks in Europe, Asia, Africa, and South America have not only adversely impacted animal health and food security, but have also had severe socioeconomic impacts on both the pig industry worldwide and small-scale pig farming. Currently available vaccines can be efficient at triggering rapid animal immune response and protecting swine populations when combined with culling of infected pigs, but do not allow the differentiation of infected from vaccinated animals (DIVA), nor are they approved for use in the U.S. The development of DIVA compatible and efficacious vaccination solutions remains a top priority to prevent the economic impacts of a CSF outbreak including supply disruptions, export restrictions and reduced food security.

Bioprocessing

Services

iBio's contract development and manufacturing services use iBio's *FastPharming* intellectual property and know how to develop or manufacture proteins for others per a contract or to provide bioprocess services.

Research & Bioprocess Products

iBio is developing proteins for use in cutting-edge research and cGMP manufacturing where the demand for high-quality products continues to evolve. The Company offers recombinant proteins for third parties on a catalog and custom basis. These catalog products often can lead to opportunities to provide CDMO services or identify in-licensing opportunities for our proprietary biotech pipeline.

FastPharming

The *FastPharming* System is iBio's proprietary approach to plant-made pharmaceutical and protein production. It uses hydroponically-grown, transiently-transfected plants, (typically *Nicotiana benthamiana,* a relative of the tobacco plant), novel expression vectors, a large-scale transient transfection method, and other technologies that can be used to produce complex therapeutic proteins emerging from our own, our clients' and our potential clients' pipelines.

2. Basis of Presentation

The consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles and include the accounts of iBio Inc. and our subsidiaries. All significant intercompany transactions and accounts have been eliminated in consolidation. Non-controlling interest in the consolidated financial statements represents the share of the loss in iBio CDMO for the Eastern Affiliate. See Note 19 – Related Party Transactions for additional information.

In the past, the history of significant losses, the negative cash flow from operations, the limited cash resources on hand and the dependence by the Company on its ability – about which there was uncertainty – to obtain additional financing to fund its operations after the current cash resources are exhausted raised substantial doubt about the Company's ability to continue as a going concern. Based on the total cash and cash equivalents plus investments in debt securities of approximately $97 million as of June 30, 2021, the Company believes it has adequate cash on hand to support the Company's activities through March 31, 2023.

3. Summary of Significant Accounting Policies

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("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 financial statements, and the reported amounts of revenues and expenses during the reporting period. These estimates include liquidity assertions, the valuation of intellectual property, 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 management's estimate of uncollectible amounts considering age, collection history, and any other factors considered appropriate. The Company writes off accounts receivable against the allowance for doubtful accounts when a balance is determined to be uncollectible. At June 30, 2021 and 2020, the Company determined that an allowance for doubtful accounts was not needed.

Revenue Recognition

The Company accounts for its revenue recognition under Accounting Standards Update ("ASU") No. 2014-09, "*Revenue from Contracts with Customers (Topic 606)*" ("ASU 2014-09") and other associated standards. Under this new standard, the Company recognizes revenue when a customer obtains control of promised services or goods in an amount that reflects the consideration to which the Company expects to receive in exchange for those goods or services. In addition, the standard requires disclosure of the nature, amount, timing, and uncertainty of revenue and cash flows arising from customer contracts.

The Company's contract revenue consists primarily of amounts earned under contracts with third-party customers and reimbursed expenses under such contracts. The Company analyzes its agreements to determine whether the elements can be separated and accounted for individually or as a single unit of accounting. Allocation of revenue to individual elements that qualify for separate accounting 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.

In general, the Company applies the following steps when recognizing revenue from contracts with customers: (i) identify the contract, (ii) identify the performance obligations, (iii) determine the transaction price, (iv) allocate the transaction price to the performance obligations and (v) recognize revenue when a performance obligation is satisfied. The nature of the Company's contracts with customers generally fall within the three key elements of the Company's business plan: CDMO Facility Activities; Product Candidate Pipeline, and Facility Design and Build-out / Technology Transfer services.

Recognition of revenue is driven by satisfaction of the performance obligations using one of two methods: revenue is either recognized over time or at a point in time. Contracts containing multiple performance obligations classify those performance obligations into separate units of accounting either as standalone or combined units of accounting. For those performance obligations treated as a standalone unit of accounting, revenue is generally recognized based on the method appropriate for each standalone unit. For those performance obligations treated as a combined unit of accounting, revenue is generally recognized as the performance obligations are satisfied, which generally occurs when control of the goods or services have been transferred to the customer or client or once the client or customer is able to direct the use of those goods and / or services as well as obtaining substantially all of its benefits. As such, revenue for a combined unit of accounting is generally recognized based on the method appropriate for the last delivered item but due to the specific nature of certain project and contract items, management may determine an alternative revenue recognition method as appropriate, such as a contract whereby one deliverable in the arrangement clearly comprises the overwhelming majority of the value of the overall combined unit of accounting. Under this circumstance, management may determine revenue recognition for the combined unit of accounting based on the revenue recognition guidance otherwise applicable to the predominant deliverable.

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 June 30, 2021 and 2020, 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 and is summarized below (in thousands).

	June 30, 2021	June 30, 2020
Revenue recognized at a point in time	$ 2,371	$ 1,491
Revenue recognized over time	—	147
Total revenue	$ 2,371	$ 1,638

Time and Materials

Under a time and materials contract, the Company charges customers an hourly rate plus reimbursement for other project specific costs. The Company recognizes revenue for time and material contracts based on the number of hours devoted to the project multiplied by the customer's billing rate plus other project specific costs incurred.

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 whereby the Company expects to recognize any related revenue at a later date, upon satisfaction of the contract obligations. At both June 30, 2021 and 2020, 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 June 30, 2021 and 2020, contract liabilities were $423,000 and $1,810,000, respectively. The Company recognized revenue of $1,087,000 in 2021 that was included in the contract liabilities balance as of June 30, 2020.

Leases

Effective July 1, 2019, the Company adopted ASU 2016-02, "*Leases (Topic 842)*" ("ASU 2016-02") ("ASC 842") and other associated standards using the modified retrospective approach for all leases entered into before the effective date. The new standard establishes 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 non-current assets and both current and non-current liabilities. The adoption of ASC 842 had no impact on retained earnings as the assets recognized under the sublease and the associated lease obligation were accounted for as a capital lease under Topic 840. The Company did not have any operating leases, therefore there was no change in accounting treatment required. For comparability purposes, the Company will continue to comply with prior disclosure requirements in accordance with the then existing lease guidance under Topic 840 as prior periods have not been restated.

As the Company elected to adopt ASC 842 at the beginning of the period of adoption, the Company recorded the ROU and finance lease obligation as follows:

1. ROU measured at the carrying amount of the leased assets under Topic 840.

2. Finance lease liability measured at the carrying amount of the capital lease obligation under Topic 840 at the beginning of the period of adoption.

The Company elected the package of practical expedients as permitted under the transition guidance, which allowed it: (1) to carry forward the historical lease classification; (2) not to reassess whether expired or existing contracts are or contain leases; and, (3) not to reassess the treatment of initial direct costs for existing leases.

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 liability and the corresponding ROU assets were recorded based on the present value of lease payments over the expected remaining lease term. The implicit rate within our 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.

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

For periods prior to the adoption of ASC 842, the Company recorded interest expense based on the amortization of the capital lease obligation. The expense recognition for finance leases under Topic 842 is substantially consistent with prior guidance for capital leases. As a result, there are no significant differences in our results of operations presented.

Cash Equivalents

The Company considers all highly liquid instruments purchased with an original maturity of three months or less to be cash equivalents. Cash equivalents at June 30, 2021 consisted of money fund accounts. The Company did not have any cash equivalents at June 30, 2020.

Investments in Debt Securities

Debt investments are classified as available-for-sale. Changes in fair value are recorded in other comprehensive income (loss). Fair value is calculated based on publicly available market information. Discounts and/or premiums paid when the debt securities are acquired are amortized to interest income over the terms of the debt securities.

Work in Process

Work in process consists primarily of the cost of labor and other overhead incurred on contracts that have not been completed. Work in process amounted to $27,000 and $798,000 as of June 30, 2021 and 2020, respectively.

Research and Development

The Company accounts for research and development costs in accordance with the 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.

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 8 - Finance Lease ROU's and Note 14 - Finance Lease Obligation 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 fifteen years.

Intangible Assets

The Company accounts for intangible assets at their historical cost and records amortization utilizing the straight-line method based upon their estimated useful lives. Patents are amortized over a period of 10 years and other intellectual property is amortized over a period from 16 to 23 years. The Company reviews the carrying value of its intangible assets for impairment whenever events or changes in business circumstances indicate the carrying amount of such assets may not be fully recoverable. Evaluating for impairment requires judgment, and recoverability is assessed by comparing the projected undiscounted net cash flows of the assets over the remaining useful life to the carrying amount. Impairments, if any, are based on the excess of the carrying amount over the fair value of the assets.

Foreign Currency

The Company accounts for foreign currency translation pursuant to FASB ASC 830, "*Foreign Currency Matters.*" The functional currency of iBio Brazil is the Brazilian Real. Under FASB ASC 830, all assets and liabilities are translated into United States dollars using the current exchange rate at the end of each fiscal period. Revenues and expenses are translated using the average exchange rates prevailing throughout the respective periods. All transaction gains and losses from the measurement of monetary balance sheet items denominated in Reals are reflected in the statement of operations as appropriate. Translation adjustments are included in accumulated other comprehensive loss. For both 2021 and 2020, any translation adjustments were considered immaterial and did not have a significant impact on the Company's consolidated financial statements.

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 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 Company's 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 17 – Share-Based Compensation for additional information.

Income Taxes

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be realized. The effect of a change in tax rates or laws on deferred tax assets and liabilities is recognized in operations in the period that includes the enactment date of the rate change. A valuation allowance is established to reduce the deferred tax assets to the amounts that are more likely than not to be realized from operations.

Tax benefits of uncertain tax positions are recognized only if it is more likely than not that the Company will be able to sustain a position taken on an income tax return. The Company has no liability for uncertain tax positions as of June 30, 2021 and 2020. Interest and penalties, if any, related to unrecognized tax benefits would be recognized as income tax expense. The Company does not have any accrued interest or penalties associated with unrecognized tax benefits, nor was any significant interest expense recognized during 2021 and 2020.

Concentrations of Credit Risk

Cash

The Company maintains principally all cash balances in one financial institution which, at times, may exceed the amount insured by the Federal Deposit Insurance Corporation. The exposure to the Company is solely dependent upon daily bank balances and the strength of the financial institution. The Company has not incurred any losses on these accounts. At June 30, 2021 and 2020, amounts in excess of insured limits were approximately $27,013,000 and $54,680,000, respectively.

Revenue

During Fiscal 2021, the Company generated 99% of its revenue from four customers, each of whom individually accounted for more than 10% of revenue. During Fiscal 2020, the Company generated 77% of its revenue from one customer, no other customer accounted for more than 10% of revenue.

4. Recently Issued Accounting Pronouncements

In June 2016, the Financial Accounting Standards Board ("FASB") issued 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 Company will evaluate the impact of ASU 2016-13 on the Company's consolidated financial statements in a future period closer to the date of adoption.

Effective July 1, 2019, the Company adopted ASU 2018-07, "*Compensation - Stock Compensation (Topic 718): Improvements to Nonemployee Share-Based Payment Accounting*" ("ASU 2018-07"). ASU 2018-07 expands the scope of Topic 718 to include share-based payment transactions for acquiring goods and services from nonemployees. The guidance also specifies that Topic 718 applies to all share-based payment transactions in which a grantor acquires goods or services to be used or consumed in a grantor's own operations by issuing share-based payment awards. The adoption of ASU 2018-07 did not have a significant impact on the Company's consolidated financial statements.

In December 2019, the FASB issued ASU 2019-12, "*Simplifying the Accounting for Income Taxes*" ("ASU 2019-12") to reduce the cost and complexity in accounting for income taxes. ASU 2019-12 removes certain exceptions related to the approach for intra-period tax allocation, the methodology for calculating income taxes in an interim period, and the recognition of deferred tax liabilities for outside basis differences. ASU 2019-12 also amends other aspects of the guidance to help simplify and promote consistent application of U.S. GAAP. The guidance is effective for fiscal years and for interim periods within those fiscal years, beginning after December 15, 2020 (quarter ending September 30, 2021 for the Company), with early adoption permitted. An entity that elects early adoption must adopt all the amendments in the same period. Most amendments within ASU 2019-12 are required to be applied on a prospective basis, while certain amendments must be applied on a retrospective or modified retrospective basis. The Company does not expect the adoption of ASU 2019-12 to have a significant impact on the Company's 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 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 consolidated financial statements.

5. Financial Instruments and Fair Value Measurement

The carrying values of cash and cash equivalents, accounts receivable, accounts payable and accrued expenses in the Company's consolidated balance sheets approximated their fair values as of June 30, 2021 and 2020 due to their short-term nature. The carrying value of the convertible promissory note receivable and finance lease obligations approximated fair value as of June 30, 2021 and 2020 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 plan 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.

6. Convertible Promissory Note Receivable

On October 1, 2020, the Company entered into a master services agreement with Safi Biosolutions, Inc. (“Safi”). In addition, the Company invested $1.5 million in Safi in the form of a convertible promissory note (the "Note"). The Note bears interest at the rate of 5% per annum and is convertible into shares of Safi’s common stock (as defined). Principal and accrued interest mature on October 1, 2023. For Fiscal 2021, interest income amounted to $56,000. As of June 30, 2021, the Note balance and accrued interest totaled $1,556,000.

7. Investments in Debt Securities

Investments in debt securities consist of AA and A rated corporate bonds bearing interest at rates from 0.23% to 4.25% with maturities from September 2021 to June 2023. The components of investments in debt securities at June 30, 2021 are as follows (in thousands):

Adjusted cost	$	19,603
Gross unrealized losses		(33)
Fair value	$	19,570

The fair value of available-for-sale debt securities, by contractual maturity, as of June 30, 2021, was as follows (in thousands):

Fiscal year ending on June 30:		Fair Value
2022	$	11,430
2023		8,140
	$	19,570

Amortization of premiums paid on the debt securities amounted to $216,000 for Fiscal 2021.

8. Finance Lease ROU's

As discussed above, the Company adopted ASC 842 effective July 1, 2019 using the modified retrospective approach for all leases entered into before the effective date.

iBio CDMO is leasing its facility in Bryan, Texas as well as certain equipment from the Second Eastern Affiliate under the Sublease. See Note 14 – Finance Lease Obligation for more details of the terms of the Sublease.

The economic substance of the Sublease is that the Company is financing the acquisition of the facility and equipment. As the Sublease involves real estate and equipment, the Company separated the equipment component and accounted for the facility and equipment as if each was leased separately.

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

	June 30, 2021	June 30, 2020
ROU - Facility	$ 25,907	$ 25,761
ROU - Equipment	7,728	7,728
	33,635	33,489
Accumulated amortization	(7,524)	(5,873)
Net finance lease ROU	$ 26,111	$ 27,616

Amortization expense of finance lease ROU assets was approximately $1,651,000 and $1,661,000 in 2021 and 2020, respectively.

9. Fixed Assets

As discussed above, the Company adopted ASC 842. As such, assets formerly classified as “under capital lease” are now classified as finance lease ROU assets. See Note 8 – Finance Lease ROU’s above.

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

	June 30, 2021	June 30, 2020
Facility improvements	$ 1,517	$ 1,465
Machinery and equipment	4,255	1,760
Office equipment and software	714	398
Construction in progress	3,367	787
	9,853	4,410
Accumulated depreciation	(1,225)	(753)
Net fixed assets	$ 8,628	$ 3,657

Depreciation expense was approximately $472,000 and $282,000 in 2021 and 2020, respectively.

10. Intangible Assets

The Company has two categories of intangible assets – intellectual property and patents. Intellectual property consists of all technology, know-how, data, and protocols for producing targeted proteins in plants and related to any products and product formulations for pharmaceutical uses and for other applications. Intellectual property includes, but is not limited to, certain technology for the development and manufacture of novel vaccines and therapeutics for humans and certain veterinary applications acquired in December 2003 from Fraunhofer USA Inc., acting through its Center for Molecular Biotechnology ("Fraunhofer"), pursuant to a Technology Transfer Agreement, as amended (the "TTA"). The Company designates such technology further developed and acquired from Fraunhofer as *iBioLaunch*™ or *LicKM*™ or *FastPharming* technology. The value on the Company’s books attributed to patents owned or controlled by the Company is based only on payments for services and fees related to the protection of the Company’s patent portfolio. The intellectual property also includes certain trademarks.

In January 2014, the Company entered into a license agreement with the University of Pittsburgh whereby iBio 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. The license agreement provides 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 has 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 a 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.

The Company accounts for intangible assets at their historical cost and records amortization utilizing the straight-line method based upon their estimated useful lives. Patents are amortized over a period of 10 years and other intellectual property is amortized over a period from 16 to 23 years. The Company reviews the carrying value of its intangible assets for impairment whenever events or changes in business circumstances indicate the carrying amount of such assets may not be fully recoverable. Evaluating for impairment requires judgment, and recoverability is assessed by comparing the projected undiscounted net cash flows of the assets over the remaining useful life to the carrying amount. Impairments are based on the excess of the carrying amount over the fair value of the assets.

The Company recorded an impairment of licensed technology in the amount of $143,000 in 2021. (See Note 25 – Subsequent Events for additional information.) This amount was recorded in the consolidated statement of operations and comprehensive loss under general and administrative expense. No impairments were recorded in 2020.

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

	June 30, 2021	June 30, 2020
Intellectual property – gross carrying value	$ 3,100	$ 3,100
Patents and licenses – gross carrying value	2,720	2,628
	5,820	5,728
Intellectual property – accumulated amortization	(2,711)	(2,555)
Patents and licenses – accumulated amortization	(2,157)	(2,029)
	(4,868)	(4,584)
Net intangible assets	$ 952	$ 1,144

Amortization expense, included in general and administrative expenses, was approximately $291,000 and $298,000 for 2021 and 2020, respectively. The weighted-average remaining life for intellectual property and patents at June 30, 2021 was approximately 2.5 years and 8 years, respectively. The estimated annual amortization expense for the next five years and thereafter is as follows (in thousands):

For the Year Ending June 30,	
2021	$ 276
2022	261
2023	165
2024	69
2025	57
Thereafter	124
Total	$ 952

11. Accrued Expenses

Accrued expenses consist of the following (in thousands):

	June 30, 2021	June 30, 2020
Rent and real estate taxes – related party (see Note 19)	$ 295	$ 295
Interest – related party (see Note 19)	406	410
Salaries and benefits	1,667	231
Professional fees	497	2
Other accrued expenses	136	167
Total accrued expenses	$ 3,001	$ 1,105

12. Notes Payable – Warrant Exchange

As part of the Warrant Amendment and Exchange Agreement dated February 20, 2020 (see Note 15 – Stockholders' Equity for additional information), the Company issued promissory notes in the aggregate principal amount of $3,300,000. The notes did not bear interest and were payable in full on the earlier to occur of (i) August 20, 2020, or (ii) the completion of an underwritten offering of securities by the Company resulting in gross proceeds of at least $10 million. In addition, the Company was required to make payments upon any and all cash exercises of the noteholders' warrants on a dollar for dollar basis for all amounts paid pursuant to such warrant exercises. At June 30, 2020, the notes payable were repaid. There was no activity during 2021.

13. Notes Payable – PPP Loan

On April 16, 2020, the Company received $600,000 related to its filing under the Paycheck Protection Program and Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"). The Company elected to treat the SBA Loans as debt under ASC 470.

On July 21, 2021, iBio was granted forgiveness in repaying the loan. In accordance with ASC 405-20-40, "*Liabilities - Extinguishments of Liabilities – Derecognition*", the Company will derecognize the liability in the first quarter of 2022.

14. Finance Lease Obligation

As discussed above, iBio CDMO is leasing its facility in Bryan, Texas as well as certain equipment from the Second Eastern Affiliate under the 34-year Sublease (the 'Sublease"). iBio CDMO began operations at the facility on December 22, 2015 pursuant to agreements between iBio CDMO and the Second Eastern Affiliate granting iBio CDMO temporary rights to access the facility. These temporary agreements were superseded by the Sublease Agreement, dated January 13, 2016, between iBio CDMO and the Second Eastern Affiliate. The 34-year term of the Sublease expires in 2050 but may be extended by iBio CDMO for a ten-year period, so long as iBio CDMO is not in default under the Sublease. Under the Sublease, iBio CDMO is required to pay base rent at an annual rate of $2,100,000, paid in equal quarterly installments on the first day of each February, May, August and November. The base rent is subject to increase annually in accordance with increases in the Consumer Price Index ("CPI"). The base rent under the Second Eastern Affiliate's ground lease for the property is subject to adjustment, based on an appraisal of the property, in 2030 and upon any extension of the ground lease. The base rent under the Sublease will be increased by any increase in the base rent under the ground lease as a result of such adjustments. iBio CDMO is also responsible for all costs and expenses in connection with the ownership, management, operation, replacement, maintenance and repair of the property under the Sublease. The Company incurred rent expense of $189,000 and $150,000 in 2021 and 2020, respectively, related to the increase in the CPI.

In addition to the base rent, iBio CDMO is required to pay, for each calendar year during the term, a portion of the total gross sales for products manufactured or processed at the facility, equal to 7% of the first $5,000,000 of gross sales, 6% of gross sales between $5,000,001 and $25,000,000, 5% of gross sales between $25,000,001 and $50,000,000, 4% of gross sales between $50,000,001 and $100,000,000, and 3% of gross sales between $100,000,001 and $500,000,000. However, if for any calendar year period from January 1, 2018 through December 31, 2019, iBio CDMO's applicable gross sales are less than $5,000,000, or for any calendar year period from and after January 1, 2020, its applicable gross sales are less than $10,000,000, then iBio CDMO is required to pay the amount that would have been payable if it had achieved such minimum gross sales and shall pay no less than the applicable percentage for the minimum gross sales for each subsequent calendar year. As the Company adopted ASC 842 effective July 1, 2019, the minimum percentage rent is included in the finance lease obligation.

Accrued expenses at June 30, 2021 and 2020 due the Second Eastern Affiliate amounted to $701,000 and $705,000, respectively. General and administrative expenses related to the Second Eastern Affiliate, including rent related to the increases in CPI, percentage rent discussed above and real estate taxes, were approximately $744,000 and $701,000 in 2021 and 2020, respectively. Interest expense related to the Second Eastern Affiliate was approximately $2,447,000 and $2,466,000 in 2021 and 2020, respectively.

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

	Years ended June 30,	
	2021	**2020**
Finance lease cost:		
Amortization of right-of-use assets	$ 1,651	$ 1,661
Interest on lease liabilities	2,447	2,446
Operating lease cost	200	150
Total lease cost	$ 4,298	$ 4,257
Other information:		
Cash paid for amounts included in the measurement lease liabilities:		
Operating cash flows from operating lease	$ 200	$ 150
Financing cash flows from finance lease obligation	$ 331	$ 66

	Years Ended June 30,	
	2021	**2020**
Finance lease right-of-use assets	$ 26,111	$ 27,616
Finance lease obligation - current portion	$ 367	$ 301
Finance lease obligation - non-current portion	$ 31,755	$ 32,007
Weighted average remaining lease term - finance lease	28.58 years	29.68 years
Weighted average discount rate - finance lease obligation	7.606 %	7.608 %

Future minimum payments under the capitalized lease obligations are due as follows:

Fiscal period ending on June 30:	Principal	Interest	Total
2021	$ 367	$ 2,429	$ 2,796
2022	392	2,404	2,796
2023	410	2,374	2,784
2024	406	2,344	2,750
2025	438	2,312	2,750
Thereafter	30,109	35,204	65,313
Total minimum lease payments	32,122	$ 47,067	$ 79,189
Less: current portion	(367)		
Long-term portion of minimum lease obligations	$ 31,755		

15. Stockholders' Equity

Preferred Stock

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

iBio CMO Preferred Tracking Stock

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

On February 23, 2017, the Board of Directors of the Company created the Preferred Tracking Stock out of the Company's 1 million authorized shares of preferred stock. Terms of the Preferred Tracking Stock include the following:

1. The Preferred Tracking Stock accrues dividends at the rate of 2% per annum on the original issue price. Accrued dividends are cumulative and are payable if and when declared by the Board of Directors, 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. As of June 30, 2021, no dividends have been declared. Accrued dividends total approximately $1,131,000 and $871,000 at June 30, 2021 and 2020, respectively.

2. The holders of Preferred Tracking Stock, voting separately as a class, are entitled to approve by the affirmative vote of a majority of the shares of Preferred Tracking Stock outstanding any amendment, alteration or repeal of any of the provisions of, or any other change to, the Certificate of Incorporation of the Company or the Certificate of Designation that adversely affects the rights, powers or privileges of the Preferred Tracking Stock, any increase in the number of authorized shares of Preferred Tracking Stock, the issuance or sale of any additional shares of Preferred Tracking Stock or any securities convertible into or exercisable or exchangeable for Preferred Tracking Stock, the creation or issuance of any shares of any additional class or series of capital stock unless the same ranks junior to the Preferred Tracking Stock, or the reclassification or alteration of any existing security of the

Company that is junior to or *pari passu* with the Preferred Tracking Stock, if such reclassification or alteration would render such other security senior to the Preferred Tracking Stock.

3. Except as required by applicable law, the holders of Preferred Tracking Stock have no other voting rights.

4. No dividend may be declared or paid or set aside for payment or other distribution declared or made upon the Company's common stock and no common stock may be redeemed, purchased or otherwise acquired for any consideration by the Company unless all accrued dividends on all outstanding shares of Preferred Tracking Stock are paid in full.

At any time, at our election or the election of the Eastern Affiliate, the outstanding share of iBio CMO Preferred Tracking Stock may be exchanged for 29,990,000 units of limited liability company interests of iBio CDMO, subject to potential adjustment. Following such exchange, again subject to any adjustment, iBio would own a 70% interest in iBio CDMO and the Eastern Affiliate would own a 30% interest.

Common Stock

The number of authorized shares of the Company's common stock is 275 million. In addition, on December 9, 2020, the stockholders of the Company approved the Company's 2020 Omnibus Incentive Plan (the "2020 Plan") and as of the filing date of this Report, the Company had reserved 32,000,000 shares of common stock for issuance pursuant to the grant of new awards under the 2020 Plan.

Series A Convertible Preferred Stock ("Series A Preferred")

On June 20, 2018, the Board of Directors of the Company created the Series A Preferred, par value $0.001 per share, out of the Company's 1 million authorized shares of preferred stock.

On June 26, 2018, the Company issued 6,300 shares of Series A Preferred as part of a public offering. In Fiscal 2019, 2,223 shares of Series A Preferred were converted into 2,470,000 shares of common stock. In Fiscal 2020, the remaining 3,987 shares of Series A Preferred were converted into 5,887,997 shares of common stock. At both June 30, 2021 and 2020, there were no shares of Series A Preferred outstanding.

Terms of the Series A Preferred include the following:

1. Each share of Series A Preferred was convertible into an amount of shares of common stock determined by dividing the stated value of $1,000 by the conversion price in effect at such time. The original conversion price of $0.90 was adjusted to $0.20 upon the closing of the Company's public offering on October 29, 2019. See the section below entitled *"Public Offering - October 29, 2019"* for further information.

2. Holders were entitled to dividends on shares of Series A Preferred equal (on an as-if-converted-to-common stock basis, without regards to conversion limitations) to and in the same form as dividends actually paid on shares of the common stock, when, as and if such dividends were paid on shares of common stock. No other dividends were declared for Series A Preferred.

3. If at any time the Company granted, issued or sold any common stock equivalents or rights to purchase stock, warrants, securities or other property pro rata to the holders of any class of common stock, then the holder(s) of Series A Preferred would be entitled to acquire, upon the terms applicable to such purchase rights, the aggregate purchase rights which the holder could have acquired if the holder had held the number of shares of common stock acquirable upon the complete conversion of such holder's Series A Preferred (as defined).

Series B Convertible Preferred Stock ("Series B Preferred")

On June 20, 2018, the Board of Directors of the Company created the Series B Preferred, par value $0.001 per share, out of the Company's 1 million authorized shares of preferred stock.

On June 26, 2018, the Company issued 5,785 shares of Series B Preferred as part of a public offering. At June 30, 2020, there were 5,785 shares of Series B Preferred outstanding. In August 2020, all of the shares of Series B Preferred were converted into 28,925,000 shares of common stock.

Terms of the Series B Preferred include the following:

1. Each share of Series B Preferred was convertible into an amount of shares of common stock determined by dividing the stated value of $1,000 by the conversion price in effect at such time. The original conversion price of $0.90 was adjusted to $0.20 upon the closing of the Company's public offering on October 29, 2019. See the section below entitled *"Public Offering - October 29, 2019"* for further information. The number of shares of common stock to be received was limited by the beneficial ownership limitation as defined in the certificate of designation. Subject to limited exceptions, a holder of Series B Preferred would not have the right to exercise any portion of its Series B Preferred if such holder, together with its affiliates, would beneficially own over 48% of the number of shares of common stock outstanding immediately after giving effect to such exercise.

2. Holders were entitled to dividends on shares of Series B Preferred equal (on an as-if-converted-to-common stock basis, without regards to conversion limitations) to and in the same form as dividends actually paid on shares of the common stock, when, as and if such dividends were paid on shares of common stock. No other dividends were paid or accrued on the shares of Series B Preferred.

3. If at any time the Company granted, issued or sold any common stock equivalents or rights to purchase stock, warrants, securities or other property pro rata to the holders of any class of common stock, then the holder(s) of Series B Preferred would be entitled to acquire, upon the terms applicable to such purchase rights, the aggregate purchase rights which the holder could have acquired if the holder had held the number of shares of common stock acquirable upon the complete conversion of such holder's Series B Preferred (as defined).

Series C Convertible Preferred Stock ("Series C Preferred")

On October 28, 2019, the Board of Directors of the Company created the Series C Preferred, par value $0.001 per share, out of the Company's 1 million authorized shares of preferred stock.

On October 29, 2019, the Company issued 4,510 shares of Series C Preferred as part of a public offering. See the section below entitled *"Public Offering - October 29, 2019"* for further information. From October 29, 2019 through June 30, 2020, all of the shares of Series C Preferred were converted into 22,550,000 shares of the Company's common stock. At both June 30, 2021 and 2020, there were no shares of Series C Preferred outstanding.

Terms of the Series C Preferred included the following:

1. Each share of Series C Preferred was convertible into an amount of shares of common stock determined by dividing the stated value of $1,000 by the conversion price of $0.20, subject to adjustment. The number of shares of common stock to be received was limited by the beneficial ownership limitation as defined in the certificate of designation. Subject to limited exceptions, a holder of Series C Preferred would not have the right to exercise any portion of its Series C Preferred if such holder, together with its affiliates, would beneficially own over 4.99% (or, upon election by a holder prior to the issuance of any Series C Preferred Shares, 9.99%) of the number of shares of our common stock outstanding immediately after giving effect to such exercise; provided, however, that upon prior notice to us, such holder may increase such limitation, provided that in no event will the limitation exceed 9.99% and any such increase would not be effective until the 61st day after such notice was delivered to the Company.

2. Holders were entitled to dividends on shares of Series C Preferred equal (on an as-if-converted-to-common stock basis, without regards to conversion limitations) to and in the same form as dividends actually paid on shares of

the common stock, when, as and if such dividends are paid on shares of common stock. No other dividends were paid or accrued on the shares of Series C Preferred.

Recent issuances of common stock include the following:

Public Offering – October 29, 2019

On October 29, 2019, the Company closed on an underwritten public offering with total gross proceeds of $5.0 million before deducting underwriting discounts, commissions and other offering expenses payable by the Company. The securities offered by the Company consisted of (i) 2,450,000 shares (the "Shares") of the Company's common stock, (ii) 4,510 shares of the Company's newly designated Series C Preferred, (iii) 25,000,000 Series A Common Stock Purchase Warrants ("Series A Warrants") to purchase shares of the Company's common stock and (iv) 25,000,000 Series B Common Stock Purchase Warrants ("Series B Warrants") to purchase shares of the Company's common stock.

Each share of common stock was sold together with two warrants, one Series A Warrant with an expiry date on the second anniversary of the original issuance date to purchase one share of common stock and one Series B Warrant with an expiry date on the seventh anniversary of the original issuance date, to purchase one share of common stock. In addition, each of Series C Preferred Share was sold together with Series A Warrants to purchase one share of common stock for each share of common stock issuable upon conversion of the Series C Preferred Share and Series B Warrants to purchase one share of common stock for each share of common stock issuable upon conversion of the Series C Preferred Share. Each share of common stock and accompanying Warrants was sold at a combined public offering price of $0.20 and each Series C Preferred Share and accompanying Warrants was sold at a combined public offering price of $1,000.

The Shares, Series C Preferred Shares and Warrants were issued pursuant to an underwriting agreement, dated October 25, 2019. The net proceeds to the Company from the sale of the Shares, Series C Preferred Shares, and Warrants was approximately $4.52 million, after deducting underwriting discounts and commissions and other offering expenses payable by the Company.

Due to the terms of the June 26, 2018 underwritten public offering, any remaining outstanding Series A Preferred and Series B Preferred were amended to convert at the same rate of the Series C Preferred ($0.20 per share). As a result of the reduction of the conversion rates of Series A Preferred and Series B Preferred, the Company recognized deemed dividends totaling $21,560,000. No Series A Preferred or Series B Preferred remain outstanding.

Lincoln Park March 2020 Purchase Agreement

On March 19, 2020, the Company entered into the Lincoln Park March 2020 Purchase Agreement with Lincoln Park pursuant to which the Company has the right to sell to Lincoln Park up to an aggregate of $50,000,000 in shares of the Company's common stock over the 36-month term of the Lincoln Park March 2020 Purchase Agreement, subject to certain limitations and conditions set forth in the Lincoln Park March 2020 Purchase Agreement.

Concurrently with the execution of the Lincoln Park March 2020 Purchase Agreement, the Company entered into a registration rights agreement (the "Registration Rights Agreement") with Lincoln Park pursuant to which the Company agreed, among other things, to file a prospectus supplement pursuant to Rule 424(b) to register for sale under the Securities Act of 1933, as amended, the shares of common stock that may be issued and sold to Lincoln Park from time to time under the Lincoln Park March 2020 Purchase Agreement. The offer and sale of shares of common stock under the Lincoln Park March 2020 Purchase Agreement was made under the Company's previously filed Registration Statement on Form S-3 which was declared effective on March 19, 2020. The prospectus supplement was filed on March 20, 2020.

The Lincoln Park March 2020 Purchase Agreement provided that, from time to time on any trading day the Company selects, the Company had the right, in its sole discretion, subject to the conditions and limitations in the Lincoln Park March 2020 Purchase Agreement, to direct Lincoln Park to purchase up to 1,000,000 shares of common stock (each such purchase, a "Regular Purchase") over the 36-month term of the Purchase Agreement. The purchase price of shares of common stock pursuant to the Lincoln Park March 2020 Purchase Agreement was based on the prevailing market price at the time of sale as set forth in the Lincoln Park March 2020 Purchase Agreement. There were no trading volume

requirements or restrictions under the Lincoln Park March 2020 Purchase Agreement. Lincoln Park's obligation under each Regular Purchase did not exceed $5,000,000. There was no upper limit on the price per share that Lincoln Park must pay for common stock under the Lincoln Park March 2020 Purchase Agreement, but in no event were shares be sold to Lincoln Park on a day the Company's closing price was less than the floor price of $0.20, which was subject to adjustment for any reorganization, recapitalization, non-cash dividend, stock split or other similar transaction and, effective upon the consummation of any such reorganization, recapitalization, non-cash dividend, stock split or other similar transaction, the Floor Price (the "Floor Price") was the lower of (i) the adjusted price and (ii) $0.20.

Both the amount and frequency of the Regular Purchases could have been increased upon the mutual agreement of the Company and Lincoln Park. The Company controlled the timing and amount of any sales of shares of common stock to Lincoln Park.

The Company could have, in its sole discretion, directed Lincoln Park to purchase additional amounts as accelerated purchases or additional accelerated purchases if on the date of a Regular Purchase the closing sale price of the common stock was not below the Floor Price as set forth in the Lincoln Park March 2020 Purchase Agreement. The Company and Lincoln Park could have mutually agreed to increase the amount of common stock sold to Lincoln Park on any accelerated purchase date or additional accelerated purchase date.

There were no restrictions on future financings, rights of first refusal, participation rights, penalties or liquidated damages in the Lincoln Park March 2020 Purchase Agreement or Registration Rights Agreement other than a prohibition on entering into any "Variable Rate Transaction," as defined in the Lincoln Park March 2020 Purchase Agreement.

The net proceeds under the Lincoln Park March 2020 Purchase Agreement to iBio depended on the frequency and prices at which iBio sold shares of common stock to Lincoln Park. Actual sales of shares of common stock to Lincoln Park under the Lincoln Park March 2020 Purchase Agreement and the amount of such net proceeds depended on a variety of factors determined by the Company from time to time, including (among others) market conditions, the trading price of the common stock and determinations by the Company as to other available and appropriate sources of funding for the Company. The Company used the net proceeds of sales under the Lincoln Park March 2020 Purchase Agreement for working capital and general corporate purposes. As consideration for Lincoln Park's commitments under the Lincoln Park March 2020 Purchase Agreement, we issued to Lincoln Park 815,827 shares of common stock.

From March 19, 2020 to June 30, 2020, Lincoln Park was issued 16,800,000 shares of common stock for proceeds totaling approximately $18.4 million. For the period from July 1, 2020 to July 27, 2020, Lincoln Park was issued 2.67 million shares of common stock for proceeds totaling $6.79 million. No further sales of shares of the Company's common stock will be made under the Lincoln Park March 2020 Purchase Agreement since the Company terminated the Lincoln Park March 2020 Purchase Agreement effective July 27, 2020. The Company terminated the Lincoln Park March 2020 Purchase Agreement on July 24, 2020, without fee, penalty or cost, effective July 27, 2020.

Lincoln Park May 2020 Purchase Agreement

On May 13, 2020, the Company entered into the Lincoln Park May 2020 Purchase Agreement, pursuant to which the Company agreed to sell to Lincoln Park and Lincoln Park agreed to purchase 1,000,000 shares of the Company's common stock at a price of $1.09 per share for an aggregate purchase price of $1,090,000, pursuant to the Company's effective shelf registration statement on Form S-3 (Registration No. 333-236735), filed with the Securities and Exchange Commission ("SEC") in accordance with the provisions of the Securities Act of 1933, as amended, and declared effective on March 19, 2020, and the prospectus supplement thereto dated May 14, 2020.

Equity Distribution Agreement

On June 17, 2020, as amended on July 29, 2020, the Company entered into an equity distribution agreement with UBS as sales agent pursuant to which the Company could sell from time to time shares of its common stock through UBS, for the sale of up to $72,000,000 of shares of the Company's common stock. Sales of shares of common stock made pursuant to the agreement were made pursuant to the Company's effective shelf registration statement on Form S-3 (File No. 333-

236735) filed with the SEC in accordance with the provisions of the Securities Act of 1933, as amended, and declared effective on March 19, 2020, and the prospectus supplement thereto dated May 14, 2020.

Sales of the shares were made by means of ordinary brokers' transactions at prevailing market prices at the time of sale, or as otherwise agreed with UBS. UBS used its commercially reasonable efforts consistent with its normal trading and sales practices and applicable state and federal laws, rules and regulations to sell the Company's common stock from time to time, based upon the Company's instructions (including any price, time or size limits or other customary parameters or conditions the Company may impose).

The Company paid a commission rate of up to 3.0% of the gross sales price per share sold and had agreed to reimburse UBS for the reasonable fees and disbursements of its counsel, in connection with entering into this agreement, in an amount not to exceed $50,000, in addition to certain ongoing fees and disbursements of its counsel. The agreement contained customary representations, warranties and agreements and other obligations of the parties and termination provisions. The Company had also agreed pursuant to the agreement to provide UBS with customary indemnification and contribution rights.

From June 17, 2020 to June 30, 2021, approximately 17.4 million shares of common stock were issued pursuant to the terms of the equity distribution agreement with UBS for gross proceeds totaling approximately $37.8 million. The Company incurred costs of approximately $1.27 million. In addition, the Company sold 2.4 million shares of common stock for net proceeds of approximately $5.55 million at the end of June 2020. The settlement dates of these sales were on July 1, 2020 and July 2, 2021. As such, the Company recorded a subscription receivable for such amount. The proceeds from the subscription receivable were collected on July 1, 2020 and July 2, 2020. For the period from July 1, 2020 to November 25, 2020, the termination date of the offering, approximately 10.4 million shares of common stock were issued for net proceeds totaling approximately $26.7 million. The Company is using the net proceeds of this offering for operating costs, including working capital and other general corporate purposes.

Cantor Fitzgerald Transactions

On November 25, 2020, the Company entered into a Controlled Equity OfferingSM 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 (the "Sales Agent"). The issuance and sale, if any, of common stock by the Company under the Sales Agreement was subject to the effectiveness of our registration statement on Form S-3 (File No. 333-250973) (the "Registration Statement"), filed with the Securities and Exchange Commission on November 25, 2020. The Registration Statement was declared effective by the Securities and Exchange Commission on December 7, 2020.

On December 8, 2020, the Company entered into an underwriting agreement (the "Underwriting Agreement") with Cantor Fitzgerald as underwriter, pursuant to which the Company (i) agreed to issue and sell in a public offering (the "Offering") 29,661,017 shares of common stock to Cantor Fitzgerald and (ii) granted Cantor Fitzgerald an option for 30 days to purchase up to an additional 4,449,152 shares of common stock that may be sold upon the exercise of such option by Cantor Fitzgerald. On December 10, 2020, this offering was closed and the Company issued approximately 29.66 million shares of common stock for gross proceeds totaling approximately $35.2 million. The Company incurred costs of approximately $2.9 million.

On January 11, 2021, the Company issued an additional 4,240,828 shares of common stock to satisfy the underwriter's option exercise. The Company received net proceeds of approximately $4.6 million.

On February 24, 2021, Cantor Fitzgerald sold as sales agent pursuant to the Sales Agreement 113,200 shares of common stock. The Company received net proceeds of approximately $238,000.

On May 7, 2021, Cantor Fitzgerald sold as sales agent pursuant to the Sales Agreement 1,716,800 shares of common stock. The Company received net proceeds of approximately $2.995 million.

Eastern – Share Purchase Agreements

On January 13, 2016, the Company entered into a share purchase agreement with Eastern pursuant to which Eastern purchased 350,000 shares of the Company's common stock and the Company received proceeds of $2,177,000. In addition, Eastern exercised warrants it had previously acquired to purchase 178,400 shares of the Company's common stock. The Company received proceeds of approximately $945,000 from the exercise of the warrants.

On January 13, 2016, the Company entered into a separate share purchase agreement with Eastern pursuant to which Eastern agreed to purchase 650,000 shares of the Company's common stock at a price of $6.22 per share, subject to the approval of the Company's stockholders. The Company's stockholders approved the issuance of the 650,000 shares to Eastern at the Company's annual meeting on April 7, 2016. On April 13, 2016, the Company issued the 650,000 shares and received proceeds of $4,043,000. These shares were subject to a three-year standstill agreement (the "Standstill Agreement") which restricted additional acquisitions of the Company's equity by Eastern and its controlled affiliates to limit its beneficial ownership of the Company's outstanding shares of common stock to a maximum of 38% (the "Eastern Beneficial Ownership Limitation"), absent the approval by a majority of the Company's Board of Directors.

On November 27, 2017, the Company's Board of Directors authorized the Company's Chief Executive Officer to invite Eastern to purchase shares in the November 2017 public offering with Aegis Capital Corp., provided that such purchase did not result in Eastern being the beneficial owner of more than 40% of the aggregate number of shares of the Company's outstanding common stock rather than the limit of 38% set forth in the Standstill Agreement.

On June 26, 2018, in connection with a public offering with A.G.P/Alliance Global Partners, the Company entered into an amendment (the "Amendment") to the share purchase agreement for 650,000 shares, dated January 13, 2016 (the "Purchase Agreement"), with Eastern. Pursuant to the Purchase Agreement, Eastern was subject to the Standstill Agreement (amended to 40%) and the Eastern Beneficial Ownership Limitation therein. The Amendment increased the Eastern Beneficial Ownership Limitation to 48% and extended the restrictions under the Standstill Agreement until June 26, 2020. In accordance with the terms of the Standstill Agreement, as amended, the Company's Board of Directors duly authorized the Company's Chief Executive Officer to offer Eastern to purchase shares in the public offering with Alliance, provided that, when taken together with all other equity securities of the Company beneficially owned by Eastern and its controlled affiliates following consummation of the public offering with Alliance, Eastern and its controlled affiliates would not beneficially own more than 48% of the aggregate number of shares of common stock outstanding as of the closing of the public offering with Alliance, including all shares of common stock issuable upon conversion of all outstanding shares of Series A Preferred and Series B Preferred, and provided, further, that Eastern agreed to extend the standstill restrictions for two (2) additional years beginning with the date of Eastern's or its controlled affiliate's purchase of securities in the public offering with Alliance. The restrictions under the Standstill Agreement were not extended beyond June 26, 2020.

On February 23, 2017, the Company entered into an exchange agreement with the Eastern Affiliate pursuant to which the Company acquired substantially all of the interest in iBio CDMO held by the Eastern Affiliate and issued one share of a newly created iBio CMO Preferred Tracking Stock, in exchange for 29,990,000 units of limited liability company interests of iBio CDMO held by the Eastern Affiliate at an original issue price of $13 million. After giving effect to the transactions contemplated in the Exchange Agreement, the Company owns 99.99% of iBio CDMO and the Eastern Affiliate owns 0.01% of iBio CDMO. At any time, at the Company's election or the election of the Eastern Affiliate, the outstanding share of iBio CMO Preferred Tracking Stock may be exchanged for 29,990,000 units of limited liability company interests of iBio CDMO. Following such exchange, the Company would own a 70% interest in iBio CDMO and the Eastern Affiliate would own a 30% interest.

Warrants

As discussed above, the Company issued 25,000,000 Series A Warrants and 25,000,000 Series B Warrants as part of its October 29, 2019 public offering. The Series A Warrants were exercisable at $0.22 per share, had a term of two years and were set to expire on October 29, 2021. The Series B Warrants were exercisable at $0.22 per share, had a term of seven years and were set to expire on October 29, 2026.

On February 20, 2020, the Company entered into a warrant amendment and exchange agreement (the "Exchange Agreement") with certain holders (the "Holders") of the Company's Series A Warrants (the "Original Series A Warrants") and Series B Warrants (the "Original Series B Warrants").

Pursuant to the Exchange Agreement, the Holders agreed to exchange their Series A Warrants and Series B Warrants for (i) an aggregate of 14,999,998 shares of newly-issued Common Stock and (ii) promissory notes in the aggregate principal amount of $3,300,000 (see Note 12 – Notes Payable – Warrant Exchange). The Holders further agreed to amendments to the remaining, unexchanged Series A Warrants and Series B Warrants as described below (as amended, the "New Series A Warrants" and "New Series B Warrants," respectively, and collectively, the "New Warrants", and together with the Original Series A Warrants and Original Series B Warrants, the "Warrants"). Following the Exchange Agreement, there were an aggregate of New Warrants to purchase 9,595,002 shares of Common Stock.

Based on the terms of the Exchange Agreement, the Company recognized deemed dividends on common stock totaling $6,600,000.

From the date of the October 29, 2019 public offering through June 30, 2021, the Company issued 29.1 million shares of common stock for the exercise of various Warrants and received proceeds of $6.4 million. In addition, the Company issued 5.9 million shares of common stock for the cashless exercise of Warrants in which the "assumed proceeds" totaling $1.3 million were used to reduce the Company's balances owed for the notes described under "Note 12 - Notes Payable – Warrant Exchange". Costs related to the Warrant Exchange totaled approximately $313,000 and were offset against additional paid-in capital.

As of June 30, 2021 and 2020, there were no Warrants outstanding.

16. 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 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):

	Years ended June 30,	
	2021	2020
Basic and diluted numerator:		
Net loss attributable to iBio, Inc.	$ (23,207)	$ (16,439)
Deemed dividends – down round of Series A Preferred and Series B Preferred	—	(21,560)
Preferred stock dividends – iBio CMO Preferred Tracking Stock	(260)	(261)
Net loss available to iBio, Inc. stockholders	$ (23,467)	$ (38,260)
Basic and diluted denominator:		
Weighted-average common shares outstanding	195,620	62,795
Per share amount	$ (0.12)	$ (0.61)

In 2021 and 2020, the Company incurred net losses which cannot be diluted; therefore, basic and diluted loss per common share is the same. As of June 30, 2021, and 2020, shares issuable which could potentially dilute future earnings included were as follows.

	June 30,	
	2021	2020
	(in thousands)	
Stock options	8,542	3,476
Series A Preferred	—	—
Series B Preferred	—	28,925
Restricted stock units	674	41
Shares excluded from the calculation of diluted loss per share	9,216	32,442

17. Share-Based Compensation

The following table summarizes the components of share-based compensation expense in the Consolidated Statements of Operations (in thousands):

	Years Ended June 30,	
	2021	2020
Research and development	$ 185	$ 55
General and administrative	1,401	333
Total	$ 1,586	$ 388

Stock Options

2008 Omnibus Equity Incentive Plan (the "2008 Plan")

On August 12, 2008, the Company adopted the iBioPharma 2008 Omnibus Equity Incentive Plan for employees, officers, directors and external service providers. The 2008 Plan provided that the Company may grant options to purchase stock and/or make awards of restricted stock. Stock options granted under the 2008 Plan may be either incentive stock options (as defined by Section 422 of the Internal Revenue Code of 1986, as amended) or non-qualified stock options at the discretion of the Board of Directors. Vesting of service awards occurred 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 occurred when the performance criteria had been satisfied. The Company used historical data to estimate forfeiture rates. The 2008 Plan had a term of ten (10) years and, as a result, the 2008 Plan expired by its terms on August 12, 2018.

iBio, Inc. 2018 Omnibus Equity Incentive Plan (the "2018 Plan")

On December 18, 2018, the Company's stockholders, upon recommendation of the Board of Directors on November 9, 2018, approved the 2018 Plan. On March 5, 2020 at the Company's 2019 Annual Meeting of Stockholders, the Company's stockholders approved an amendment to the 2018 Plan to increase the number of shares of common stock authorized for issuance thereunder from 3.5 million shares to 6.5 million shares and to incorporate changes to include restricted stock units and performance-based awards as grant types issuable under the 2018 Plan. The total number of shares of common stock reserved under the 2018 Plan is 6.5 million. Stock options granted under the 2018 Plan may be either incentive stock options (as defined by Section 422 of the Internal Revenue Code of 1986, as amended), non-qualified stock options, or restricted stock and determined at the discretion of the Board of Directors.

Vesting of service awards will be determined by the Board of Directors and stated in the award agreements. In general, vesting will occur 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 will occur when the performance criteria has been satisfied. The Company uses historical data to estimate forfeiture rates. The 2018 Plan has a term of ten (10) years and expires by its terms on November 9, 2028.

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

On December 9, 2020, the Company's stockholders approved the 2020 Plan as a successor to the 2018 Plan. The total number of shares of common stock reserved under the 2020 Plan is 32 million 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 of Directors and $1,500,000 for any non-executive chair of our Board of Directors should one be appointed. Notwithstanding the foregoing, the independent members of the Board of Directors 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.

In addition, on December 18, 2018, the Company's stockholders, upon recommendation of the Board of Directors, also approved an amendment to the Company's 2008 Plan to allow the Company to permit a one-time option exchange program under which the Company would offer eligible employees and non-employee directors the opportunity to exchange certain outstanding options on a four-for-three basis for new stock options exercisable at a lower price under the 2018 Plan (the "Option Exchange").

On January 22, 2019, the Company filed with the Securities and Exchange Commission a Tender Offer Statement on Schedule TO defining the terms and conditions of the Option Exchange, whereby the Company was offering eligible employees and non-employee directors ("Eligible Option Holders") the opportunity to exchange for new options covering a lesser number of shares of the Company's common stock ("Replacement Options"), at a ratio of four-for-three (the "Exchange Ratio"), any options issued by the Company prior to January 22, 2019 that were outstanding under its 2008 Plan that had an exercise price greater than the closing price per share of iBio's common stock on the NYSE American on the grant date of the Replacement Options ("Eligible Exchange Options"), so that for each four shares of common stock subject to an Eligible Exchange Option, the option holder would receive a Replacement Option to purchase three shares under the 2018 Plan. On February 20, 2019, the completion date of the Option Exchange (the "Replacement Option Grant Date"), the Company canceled the options accepted for exchange and granted 874,310 Replacement Options in exchange for 1,165,750 options issued under the 2008 Plan.

The Replacement Options:

- have a per-share exercise price of $0.93, which was equal to the closing price per share of the Company's common stock on the Replacement Option Grant Date;
- have a five-year term beginning on February 20, 2019 and vested one year later on February 20, 2020. Generally, the Underwater Options had been scheduled to vest over four years following the recipient's employment start date or the date of grant. As of November 19, 2018, approximately 94% of the shares covered by the Underwater Options already were vested. All other terms and conditions of the new stock options are generally be consistent with the terms and conditions of iBio's standard time-vesting stock option grants;
- are of the same type of options as the surrendered options. Eligible Option Holders holding nonqualified stock options received Replacement Options in the form of nonqualified stock options and Eligible Option Holders holding incentive stock options received Replacement Options in the form of incentive stock options; and
- have the terms and be subject to the conditions as provided for in the 2018 Plan and option award agreement.

Issuances of stock options during 2021 were as follows:

- On October 14, 2020, the Company granted three new members of its Board of Directors stock option agreements under the 2018 Plan whereby each director has the option to purchase up to 100,000 shares of the Company's

common stock at an exercise price of $2.05 per share. The options vest over a period of three years and expire on the tenth anniversary of the grant date;

- Effective December 1, 2020, the Company granted an officer a stock option agreement under the 2018 Plan whereby the officer has the option to purchase 465,000 shares of the Company's common stock at an exercise price of $1.45 per share. The option expires on the tenth anniversary of the grant date and vests as follows: (1) 25% of the option granted will vest after one year of employment with the Company; and (2) after one year of employment with the Company, 6.25% of the option granted will vest for each additional three (3) months of employment;

- On January 15, 2021, the Company granted two consultants stock option agreements for each to purchase 15,000 shares of the Company's common stock at an exercise price of $1.47 per share. The options expire on the tenth anniversary of the grant date and vest over a one-year period;

- Effective January 18, 2021, the Company granted an officer and an employee stock option agreements whereby the officer and employee have the option to purchase an aggregate of 600,000 shares of the Company's common stock at an exercise price of $1.47 per share. The options expire on the tenth anniversary of the grant date and vest as follows: (1) 25% of the options granted will vest after one year of employment with the Company; and (2) after one year of employment with the Company, 6.25% of the options granted will vest for each additional three (3) months of employment;

- Effective March 4, 2021, the Company granted an officer a stock option agreement whereby the officer has the option to purchase 350,000 shares of the Company's common stock at an exercise price of $1.43 per share. The option expires on the tenth anniversary of the grant date and vest as follows: (1) 25% of the option granted will vest after one year of employment with the Company; and (2) after one year of employment with the Company, 6.25% of the option granted will vest for each additional three (3) months of employment;

- On April 30, 2021, the Company granted an officer a stock option agreement whereby the officer has the option to purchase 3,000,000 shares of the Company's common stock at a price of $1.37 per share. The option expires on the tenth anniversary of the grant date and vest as follows: (1) 25% of the option granted will vest after one year of employment with the Company; and (2) after one year of employment with the Company, 6.25% of the option granted will vest for each additional three (3) months of employment;

- In May 2021, the Company granted stock option agreements to various employees, to purchase an aggregate of 270,000 shares of the Company's common stock at exercise prices of $1.29 to $1.65 per share. The options expire on the tenth anniversary of the grant date and vest as follows: (1) 25% of the options granted will vest after one year of employment with the Company; and (2) after one year of employment with the Company, 6.25% of the options granted will vest for each additional three (3) months of employment;

- In June 2021, the Company granted stock option agreements to a new member of its Board of Directors and one employee, to purchase an aggregate of 225,000 shares of the Company's common stock at exercise prices of $1.41 to $1.57 per share. The options expire on the tenth anniversary of the grant date and vest as follows: (1) 25% of the options granted will vest after one year; and (2) after one year, 6.25% of the options granted will vest for each additional three (3) months.

Issuances of stock options during Fiscal 2020 were as follows:

- On March 27, 2020, the Company issued options to acquire 908,300 shares of common stock to various members of management and employees. The exercise price is $1.15 per share. The options vest over a four-year period and expire in ten years;

- On April 21, 2020, the Company issued to Thomas Isett ("Isett"), the Company's Chief Executive Officer (effective March 2020) and Chairman of the Company, options to acquire 975,000 shares of the Company's common stock at an exercise price of $0.8953 per share. The options vest over a three-year period and expire in ten years;

- On June 1, 2020, the Company issued options to acquire 100,000 shares of common stock to a member of management. The exercise price is $1.66 per share. The options vest over a four-year period and expire in ten years; and

- On June 20, 2020, the Company issued to Robert Kay, the Company's former Chief Executive Officer (resigned March 2020), options to acquire 400,000 shares of the Company's common stock at an exercise price of $1.47 per share. The options vest monthly over a two-year period and expire in ten years.

The following table summarizes all stock option activity during the years ended June 30, 2021 and 2020:

	Stock Options	Weighted-average Exercise Price	Weighted-average Remaining Contractual Term (in years)	Aggregate Intrinsic Value (in thousands)
Outstanding as of July 1, 2019	1,346,519	$ 1.45	6.1	$ —
Granted	2,383,300	1.11	—	—
Exercised	(139,392)	0.93	—	—
Forfeited/expired	(114,654)	3.32	—	—
Outstanding as of June 30, 2020	3,475,773	$ 1.18	8.2	$ 4,042
As of June 30, 2020, vested and expected to vest	3,424,064	$ 1.18	8.3	$ 3,987
Exercisable as of June 30, 2020	983,442	$ 1.40	4.6	$ 1,221
Outstanding as of June 30, 2020	3,475,773	$ 1.18	8.2	$ 4,042
Granted	5,240,000	1.44	—	—
Exercised	(53,687)	1.02	—	—
Forfeited/expired	(119,933)	2.45	—	—
Outstanding as of June 30, 2021	8,542,153	$ 1.31	8.8	$ 1,995
As of June 30, 2021, vested and expected to vest	8,520,349	$ 1.31	8.8	$ 1,988
Exercisable as of June 30, 2021	1,933,460	$ 1.11	6.4	$ 890

The following table summarizes information about options outstanding and exercisable at June 30, 2021:

	Options Outstanding and Exercisable			
	Number Outstanding	Weighted-Average Remaining Life In Years	Weighted-Average Exercise Price	Number Exercisable
Exercise prices:				
$0.90 - $1.37	5,832,319	8.5	$ 1.18	1,561,957
$1.41 - $2.12	2,700,000	9.5	1.56	361,669
$2.53 - $3.80	500	6.7	2.53	500
$7.30 - $10.95	9,334	0.9	8.59	9,334
	8,542,153	8.8	$ 1.31	1,933,460

The total fair value of stock options that vested during 2021 and 2020 was approximately $911,000 and $433,000, respectively. The total cash received for stock options that were exercised during 2021 and 2020 was approximately $54,000 and $130,000, respectively. The total intrinsic value of stock options that were exercised during 2021 and 2020 was approximately $165,000 and $102,000, respectively. As of June 30, 2021, there was approximately $7,316,000 of total unrecognized compensation cost related to non-vested stock options that the Company expects to recognize over a weighted-average period of 3.4 years.

The weighted-average grant date fair value of stock options granted during 2021 and 2020 was $1.25 and $0.97 per share, respectively. The Company estimated the fair value of options granted using the Black-Scholes option pricing model with the following assumptions:

	2021	2020
Weighted average risk-free interest rate	0.39 - 1.02 %	0.60 %
Dividend yield	0 %	0 %
Volatility	119.46 - 126.55 %	97.5 %
Expected term (in years)	6	9

The aggregate intrinsic value in the table above represents the total intrinsic value, based on the Company's closing stock price of $1.51 as of June 30, 2021 and $2.22 as of June 30, 2020, which would have been received by the option holders had all option holders exercised their options as of that date.

Restricted Stock Units ("RSUs"):

On March 27, 2020, the Company issued RSU's to acquire 41,150 shares of common stock to various employees at a market value of $1.15 per share. The RSU's vest over a four-year period. The grant-date fair value of the RSU's totaled approximately $47,000.

Effective December 1, 2020, the Company issued RSUs to acquire 309,000 shares of common stock to an officer at a market value of $1.45 per share. The RSUs vest in even increments on the first three anniversaries of the grant date. The grant-date fair value of the RSUs totaled approximately $448,000.

Effective January 18, 2021, the Company issued RSUs to acquire 65,000 shares of common stock to an employee at a market value of $1.47 per share. The RSUs vest in even increments on the first three anniversaries of the grant date. The grant-date fair value of the RSUs totaled approximately $96,000.

Effective March 4, 2021, the Company issued RSUs to acquire 232,000 shares of common stock to an officer at a market value of $1.43 per share. The RSUs vest in even increments on the first three anniversaries of the grant date. The grant-date fair value of the RSUs totaled approximately $332,000.

On April 30, 2021, the Company entered into a new employment agreement with an officer. The new employment agreement provides that the Compensation Committee will establish certain performance criteria and thereafter the officer will receive a grant of 5,000,000 performance RSUs, which will also vest subject to achievement of pre-defined performance criteria to be established by the Compensation Committee.

On May 4, 2021, the Company issued RSU's to acquire 40,000 shares of common stock to an employee at a market value of $1.29 per share. The RSU's vest over a four-year period. The grant-date fair value of the RSUs totaled approximately $52,000.

As of June 30, 2021, there was approximately $816,000 of total unrecognized compensation cost related to non-vested RSUs that the Company expects to recognize over a weighted-average period of 2.6 years.

18. Gain on Settlement

Fraunhofer Settlement

On May 4, 2021, iBio, Inc. (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 provide 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 (which is expected to be 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 provides 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 estimated aggregate net cash recovery as a result of the Settlement Agreement will be approximately $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 2021. The Company will recognize the $1.8 million of license revenue when it determines the collection of the license fees are reasonably assured in accordance with ASU 2014-09.

19. Related Party Transactions

Agreements with Eastern Capital Limited and its Affiliates.

As more fully discussed in Note 15 – Stockholders' Equity, the Company entered into two share purchase agreements with Eastern and the Standstill Agreement.

Concurrently with the execution of the Purchase Agreements, iBio entered into a contract manufacturing joint venture with the Eastern Affiliate to develop and manufacture plant-made pharmaceuticals through iBio CDMO. The Eastern Affiliate contributed $15 million in cash to iBio CDMO, for a 30% interest in iBio CDMO. iBio retained a 70% equity interest in iBio CDMO. As the majority equity holder, iBio has the right to appoint a majority of the members of the Board of Managers that manages the iBio CDMO joint venture. Specified material actions by the joint venture require the consent of iBio and the Eastern Affiliate. iBio contributed to the capital of iBio CDMO a royalty bearing license, which grants iBio CDMO a non-exclusive license to use the iBio's proprietary technologies for research purposes and an exclusive U.S. license for manufacturing purposes. iBio retains all other rights in its intellectual property, including the right for itself to commercialize products based on its proprietary technologies or to grant licenses to others to do so.

In connection with the joint venture, the Second Eastern Affiliate, which controls the subject property as sublandlord, granted iBio CDMO the Sublease of a Class A life sciences building in Bryan, Texas, located on land owned by the Texas A&M system, designed and equipped for plant-made manufacture of biopharmaceuticals. The terms of the Sublease are described in Note 14 – Finance Lease Obligation.

The Standstill Agreement took effect upon the issuance of the shares to Eastern pursuant to a share purchase agreement for the acquisition of 650,000 shares of common stock. The Standstill Agreement had been amended twice so that Eastern and its controlled affiliates are limited to its beneficial ownership of the Company's outstanding shares of common stock to a maximum of 48%, absent approval by a majority of the Company's Board of Directors. Eastern agreed to extend the standstill restrictions for two (2) additional years beginning with the date of Eastern's or its controlled affiliate's purchase of securities in the public offering with Alliance. See Note 15 - Stockholders' Equity for further information.

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

At any time, at the Company's election or the election of the Eastern Affiliate, the outstanding share of iBio CMO Preferred Tracking Stock may be exchanged for 29,990,000 units of limited liability company interests of iBio CDMO. Following such exchange, the Company would own a 70% interest in iBio CDMO and the Eastern Affiliate would own a 30% interest.

Director Consulting Agreement

i.e. Advising, LLC ("IEA") was retained by the Company as a strategy and management consultant pursuant to a Consulting Agreement, dated as of February 22, 2019 (the "Consulting Agreement"), with services provided pursuant to statements of work entered into between the Company and Consultant from time to time. Mr. Isett was the Managing Director and sole owner of IEA. Effective as of May 1, 2019, the Company entered into a Statement of Work (the "May 1, 2019 SOW") pursuant to the Consulting Agreement, which provided for an engagement to be conducted on a retainer basis with Mr. Isett as the primary engagement resource, at a rate of $40,000 per month, and on a time and materials basis for all other engagement resources provided by IEA, billable at the rate of $85 to $450 per hour. IEA and the Company entered into an additional Statement of Work on December 1, 2019 (the "December 1, 2019 SOW"), which provided that Consultant would be entitled to a bonus of 3% to 4.5% of the transaction value if the Company or any of its assets were sold during the term of the Statement of Work. Consultant and the Company agreed to terminate the Consulting Agreement and both the May 1, 2019 SOW and December 1, 2019 SOW on March 10, 2020, when Mr. Isett became the Company's Chief Executive Officer.

Consulting expenses totaled approximately $0 and $425,000 in 2021 and 2020, respectively. At June 30, 2021 and 2020, the Company owed the Consultant $0 and $0, respectively.

KBI Consulting

On April 1, 2020, the Company entered into a consulting agreement with KBI Consulting for business support services provided by Mr. Isett's wife. Per the consulting agreement the business support services were billed at $5,800 per month. Consulting expenses totaled approximately $52,000 and $17,000 in 2021 and 2020, respectively. At June 30, 2021 and 2020, the Company owed the Consultant $0 and $0, respectively. The Company terminated its agreement with KBI consulting effective March 31, 2021, at which time Mr. Isett's wife became an employee of the Company with a salary consistent with her consultant rate.

20. Income Taxes

The components of net loss consist of the following (in thousands):

	For the Years Ended June 30,	
	2021	2020
United States	$ (23,200)	$ (16,429)
Brazil	(13)	(15)
Total	$ (23,213)	$ (16,444)

The components of the provision (benefit) for income taxes consist of the following (in thousands):

	For the Years Ended June 30,	
	2021	2020
Current – Federal, state and foreign		
Deferred – Federal	$ (55)	$ (1,560)
Deferred – State	—	(428)
Deferred – Foreign	—	—
Total	(55)	(1,988)
Change in valuation allowance	55	1,988
Income tax expense	$ —	$ —

The Company has deferred income taxes due to income tax credits, net operating loss carryforwards, and the effect of temporary differences between the carrying values of certain assets and liabilities for financial reporting and income tax purposes.

The components of the Company's deferred tax assets and liabilities are as follows (in thousands):

	As of June 30,	
	2021	2020
Deferred tax assets (liabilities):		
Net operating loss	$ 24,693	$ 25,179
Share-based compensation	353	93
Research and development tax credits	1,737	1,568
Basis in iBio CDMO	984	973
Intangible assets	(91)	(173)
Vacation accrual and other	38	18
Valuation allowance	(27,714)	(27,658)
Total	$ —	$ —

The Company has a valuation allowance against the full amount of its net deferred tax assets due to the uncertainty of realization of the deferred tax assets due to the operating loss history of the Company. The Company currently provides a valuation allowance against deferred taxes when it is more likely than not that some portion, or all of its deferred tax assets will not be realized. The valuation allowance could be reduced or eliminated based on future earnings and future estimates of taxable income.

Federal net operating losses of approximately $5.5 million were used by the Former Parent prior to June 30, 2008 and are not available to the Company. The Former Parent allocated the use of the Federal net operating losses available for use on its consolidated Federal tax return on a pro rata basis based on all of the available net operating losses from all the entities included in its control group.

U.S. federal net operating losses of approximately $117.5 million are available to the Company as of June 30, 2021, of which $63.9 million will expire at various dates through 2039 and $53.6 million with no expiration date. These carryforwards could be subject to certain limitations in the event there is a change in control of the Company pursuant to Internal Revenue Code Section 382, though the Company has not performed a study to determine if the loss carryforwards are subject to these Section 382 limitations. The Company has a research and development credit carryforward of approximately $1.7 million at June 30, 2021.

A reconciliation of the statutory tax rate to the effective tax rate is as follows:

	Years Ended June 30,	
	2021	2020
Statutory federal income tax rate	21 %	21 %
State (net of federal benefit)	— %	6 %
Research and development tax credit	— %	— %
Cancelled and expired non-qualifying stock options	— %	(14)%
Change in valuation allowance	(21)%	(13)%
Effective income tax rate	— %	— %

The Company has not been audited in connection with income taxes. iBio files U.S. Federal and state income tax returns subject to varying statutes of limitations. The 2017 through 2020 tax returns generally remain open to examination by U.S. Federal authorities and by state tax authorities. In addition, the 2015 through 2020 Brazilian federal tax returns remain open to examination by Brazil's federal tax authorities.

21. Commitments and Contingencies

COVID-19

As a result of the pandemic, the Company has at times experienced reduced capacity to provide CDMO services as a result of instituting social distancing at work procedures in our Texas facility, restricting access to essential workers, as well as taking other precautions. The Company also experienced a full three-day operational shutdown in April 2020 for extensive facility cleaning following the discovery that an employee had contracted COVID-19, and successfully resumed operations on a reduced capacity basis.

The Company has ascertained that certain risks associated with further COVID-19 developments may adversely impact its operations and liquidity, and its business and share price may also be affected by the COVID-19 pandemic. However, the Company does not anticipate any significant threat to its operations at this point in time. Due to the general unknown nature surrounding the crisis, the Company cannot reasonably estimate the potential for any future impacts on its operations or liquidity.

The outbreak and spread of COVID-19 and continued progress in various countries around the world, including the United States, has led authorities around the globe to take various extraordinary measures to stem the spread of the disease, such as emergency travel and transportation restrictions, school closures, quarantines and social distancing measures. The outbreak of COVID-19 has had an adverse effect on global markets and may continue to affect the economy in the United States and globally, especially if new strains of SARS-CoV2 emerge.

Agreements

Lease – Bryan, Texas

As discussed above, iBio CDMO is leasing its facility in Bryan, Texas from the Second Eastern Affiliate under the Sublease. See Note 14 – Finance Lease Obligation for more details of the Sublease.

Planet Biotechnologies

On August 27, 2020, the Company entered into an exclusive worldwide license agreement with Planet Biotechnology Inc. ("Planet") for the development of Planet's COVID-19 therapeutic candidate, ACE2-Fc. The Company made a one-time up-front payment of $150,000 on September 11, 2020.

After reviewing our internal strategy, the Company decided to terminate the partnership with Planet for the development of the recombinant ACE2-Fc protein as treatment for COVID-19 and other coronavirus diseases. As part of the original agreement, the Company will not have anything due to Planet at the time of termination. See Note 10 – Intangible Assets with regards to the impairment of intangibles related to termination of the agreement.

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. Employer contributions made to the Plan totaled approximately $121,000 and $97,000 in 2021 and 2020, respectively.

23. Segment Reporting

In accordance with FASB ASC 280, "*Segment Reporting*," the Company discloses financial and descriptive information about its reportable segments. The Company operates in two segments, (i) Biopharmaceuticals, our biologics development and licensing activities, conducted within iBio, Inc. and (ii) Bioprocessing, our CDMO segment, conducted within iBio CDMO. These segments are components of the Company about which separate financial information is available and regularly evaluated by the chief operating decision maker in deciding how to allocate resources and in assessing performance. The accounting policies of the segments are the same as those described in the Summary of Significant Accounting Policies. Please note that certain totals may not sum due to rounding.

Year Ended June 30, 2021 (in thousands)	Biopharmaceuticals (iBio, Inc.)	Bioprocessing (iBio CDMO)	Eliminations	Total
Revenues - external customers	$ 1,098	1,274	$ —	$ 2,371
Revenues - intersegment	1,017	1,307	(2,324)	—
Cost of goods sold	425	1,037	—	1,462
Gross profit	1,690	1,543	(2,324)	909
Research and development	2,960	8,370	(1,341)	9,989
General and administrative	13,429	9,585	(983)	22,031
Operating loss	(14,699)	(16,412)	—	(31,111)
Interest expense	—	(2,454)	—	(2,454)
Settlement income	10,200	—	—	10,200
Interest and royalty income	151	1	—	152
Consolidated net loss	(4,349)	(18,864)	—	(23,213)
Total assets	175,272	35,721	(64,025)	146,968
Finance lease ROU assets	—	26,111	—	26,111
Fixed assets, net of accumulated depreciation	—	8,628	—	8,628
Intangible assets, net of accumulated amortization	952	—	—	952
Amortization of finance lease ROU assets	—	1,651	—	1,651
Depreciation of fixed assets	—	472	—	472
Amortization of intangible assets	291	—	—	291

Year Ended June 30, 2020 (in thousands)	Biopharmaceuticals (iBio, Inc.)	Bioprocessing (iBio CDMO)	Eliminations	Total
Revenues - external customers	$ 1,546	$ 92	$ —	$ 1,638
Revenues - intersegment	793	1,665	(2,458)	—
Cost of goods sold	640	63	—	703
Gross profit	1,699	1,694	(2,458)	935
Research and development	492	4,779	(1,698)	3,573
General and administrative	5,355	6,770	(760)	11,365
Operating loss	(4,148)	(9,855)	—	(14,003)
Interest expense	—	(2,466)	—	(2,466)
Interest and royalty income	24	1	—	25
Consolidated net loss	(4,124)	(12,320)	—	(16,444)
Total assets	103,667	31,868	(41,346)	94,189
Finance lease ROU assets	—	27,616	—	27,616
Fixed assets, net of accumulated depreciation	—	3,657	—	3,657
Intangible assets, net of accumulated amortization	1,144	—	—	1,144
Amortization of finance lease ROU assets	—	1,661	—	1,661
Depreciation of fixed assets	1	281	—	282
Amortization of intangible assets	298	—	—	298

24. Notices of Delisting or Failure to Satisfy a Continued Listing Rule or Standard

On October 16, 2019, the Company received notification from the NYSE American (the "Exchange") that the Company is not in compliance with Section 1003(a)(ii) of the NYSE American Company Guide (the "Guide"), which applies if a listed company has stockholders' equity of less than $4,000,000 and has reported losses from continuing operations and/or net losses in three of its four most recent fiscal years, and Section 1003(a)(iii) of the Guide, which applies if a listed company has stockholders' equity of less than $6,000,000 and has reported losses from continuing operations and/or net losses in its five most recent fiscal years. On December 9, 2019, the Company received a further notice from the Exchange that the Company currently is below the Exchange's continued listing standards set forth in Section 1003(a)(i) of the Guide, which applies if a listed company has stockholders' equity of less than $2,000,000 and has reported losses from continuing operations and/or net losses in two of its three most recent fiscal years. The December 9, 2019 notification from the Exchange also stated that the Exchange has determined that the Company's securities have been selling for a low price per share for a substantial period of time and pursuant to Section 1003(f)(v) of the Guide, the Company's continued listing on the Exchange is predicated on the Company effecting a reverse stock split or otherwise demonstrating sustained improvement in its share price within a reasonable period of time, which the Exchange has determined to be no later than June 9, 2020. The Exchange notified us on June 9, 2020, that we had regained compliance with this section of the Exchange's listing standards.

On January 10, 2020, the Company received notice from the Exchange that NYSE Regulation has accepted the Company's November 15, 2019 plan to regain compliance with the Exchange's continued listing standards set forth in Sections 1003(a)(i), 1003(a)(ii) and 1003(a)(iii) of the Guide and has granted a plan period through December 9, 2020, subject to periodic review by the Exchange, including quarterly monitoring, to regain compliance with the initiatives outlined in the plan. The Exchange notified the Company on October 1, 2020, that it had regained compliance with all of the Exchange continued listing standards set forth in Part 10 of the Guide. Specifically, the notification stated that the Company had resolved the continued listing deficiency with respect to Sections 1003(a)(i), 1003(a)(ii) and 1003(a)(iii) of the Guide by meeting the requirements of the $50 million market capitalization exemption in Section 1003(a) of the Guide.

The NYSE American notifications did not affect the Company's business operations or its reporting obligations under the Securities and Exchange Commission regulations and rules and did not conflict with or cause an event of default under any of the Company's material agreements.

In addition, the Company expects revenues related to its CDMO core services offering and potential commercialization of its technologies and the potential development and eventual commercialization of proprietary pipeline products. The Company cannot be certain it will succeed in these activities and may never generate revenues that are significant or large enough to achieve profitability.

As of June 30, 2021, the Company's stockholders' equity balance is $108.6 million. In order to maintain its listing with NYSE American, the Company must remain in compliance with the continued listing standards as set forth in Section 1003(a)(iii) of the Company Guide, which applies if a listed company has stockholders' equity of less than $6,000,000 and has sustained losses from continuing operations and/or net losses in its five most recent fiscal years. Based on the June 30, 2021, stockholders' equity balance, the Company is above the Exchange compliance requirement with Section 1003(a)(iii).

25. Subsequent Events

On August 23, 2021, we entered into a series of agreements with RubrYc Theraputics, 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 campaign. Under the terms of the agreement, the Company will be solely responsible for worldwide research and development activities for development of the RTX-003 antibodies for use in pharmaceutical products in all fields. Contingent upon receipt by RubrYc of funding of its Series A-2 preferred stock offering (see below), during the term of the RTX-003 License Agreement, RubrYc granted the Company an exclusive worldwide sublicensable royalty-bearing license under the patents controlled by RubrYc that cover the RTX-003 antibodies. The commercial license exclusively permits the Company to research, develop, make, have made, manufacture, use, distribute, sell, offer for sale, import, and export antibodies in RubrYc's RTX-003. Under the terms and conditions of the RTX-003 License Agreement, the Company agreed to use commercially reasonable efforts to develop and commercialize RTX-003 antibodies. If the Company fails to achieve certain timing milestones for starting GMP manufacturing and dosing human patients under an IND, it could be required to make a payment to RubrYc on the date the milestone is missed and on each anniversary of such date until the milestone is achieved, provided that the milestone was missed due to its failure to exercise commercially reasonable efforts.

iBio Development Milestones

- Successful 1st run GMP manufacture first licensed product
- 1st patient dosed under a licensed product

Under the terms of the RTX-003 License Agreement, RubrYc is eligible to receive from us up to an aggregate of $15 million in clinical development and regulatory milestone payments for RTX-003 upon achievement of the following four clinical milestones:

- 5th patient dosed in a Phase I clinical study;
- 5th patient dosed in a Phase II clinical study;
- 4th patient dosed in a Phase III clinical study (payable in cash or our stock, at our discretion) and
- First commercial sale (payable in cash or our stock, at our discretion).

RubrYc will also be entitled to receive royalties in the mid-single digits on net sales of RTX-003 antibodies, subject to adjustment under certain circumstances. Royalties are payable on a country-by-country 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.

If either the Company or RubrYc materially breaches the RTX-003 License Agreement and does not cure such breach within 60 days (or 30 days in the event of non-payment), the non-breaching party may terminate the RTX-003 License Agreement in its entirety. Either party may also terminate the RTX-003 License Agreement, effective immediately upon written notice, if the other party files for bankruptcy, is dissolved or has a receiver appointed for substantially all of its property. RubrYc may terminate the RTX-003 License Agreement if the Company or its sublicensees challenges the validity or enforceability of any of RubrYc's Licensed Patents subject to certain exceptions. The Company may terminate the RTX-003 License Agreement in its entirety for any or no reason upon ninety (90) days' written notice to RubrYc. In addition, if RubrYc is unable to complete a financing with proceeds of a certain agreed upon amount by a set time defined in the RTX-003 License Agreement, the Company may terminate the RTX-003 License Agreement upon written notice to RubrYc within thirty (30) days of the end of such period. Effective upon such termination, among other things, RubrYc shall assign to us exclusive ownership of the RTX-003, including all relevant intellectual property rights.

Collaboration, Option and License Agreement: The Company entered into an agreement with RubrYc to collaborate for up to five years to discover and develop novel antibody therapeutics using RubrYc's artificial intelligence discovery platform. Antibody targets for the collaboration may be agreed upon pursuant to written collaboration plans approved by

a joint steering committee comprised of two representatives of each party. In addition, RubrYc has granted the Company an exclusive option to obtain a worldwide sublicensable commercial license with respect to each of the lead product candidates resulting from such collaboration programs (the "Selected Compounds"). The Company has agreed to pay RubrYc for each Selected Compound as it achieves various milestones in addition to royalties if the Selected Compounds are commercialized. The Company has agreed to pay RubrYc for each Selected Compound as it achieves various milestones in addition to royalties it would owe if it were commercialized. Under the terms and conditions of the Collaboration Agreement, in the event the option is exercised by the Company, it has various diligence obligations including that it will use commercially reasonable efforts to (i) develop Selected Compounds for use in pharmaceutical products (the "Collaboration Products"); and (ii) commercialize the Collaboration Products. The Company is also required to meet a series of development milestones for each Collaboration Product. Failure to achieve the milestones will result in a payment to RubrYc on the date the milestone is missed and on each anniversary of such date until the milestone is achieved, provided that the milestone was missed due to its failure to exercise commercially reasonable efforts.

iBio Development Milestones

- Successful 1st run GMP manufacture of the first Collaboration Product
- Initiate IND enabling studies for such Collaboration Product
- 1st patient dosed under such Collaboration Product

Under the terms of the Collaboration Agreement, RubrYc is eligible to receive from us up to an aggregate of $15 million in clinical development and regulatory milestone payments for each Collaboration Product that achieves the following:

- 5th patient dosed in a Phase I clinical study;
- 5th patient dosed in a Phase II clinical study;
- 4th patient dosed in a Phase III clinical study (payable in cash or our stock, at our discretion) and
- First commercial sale (payable in cash or our stock, at our discretion).

RubrYc will also be 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.

If either the Company or RubrYc materially breaches the Collaboration Agreement and does not cure such breach within 60 days (or 30 days in the event of non-payment), the non-breaching party may terminate the Agreement in its entirety. Either party may also terminate the Collaboration Agreement, effective immediately upon written notice, if the other party files for bankruptcy, is dissolved or has a receiver appointed for substantially all of its property. RubrYc may terminate the Collaboration Agreement if the Company, its affiliates or its sublicensees challenges the validity or enforceability of any of RubrYc's patents covering any of the licensed compounds or products. The Company may terminate the Collaboration Agreement in its entirety, or with respect to a program, collaboration or Selected Compound for any or no reason upon ninety (90) days' written notice to RubrYc.

In addition, if RubrYc is unable to complete a financing with proceeds of a certain agreed upon amount by a set time defined in the Collaboration Agreement, the Company may terminate the Collaboration Agreement upon written notice to RubrYc within thirty (30) days of the end of such period. Effective upon such termination, among other things, RubrYc shall assign to the Company exclusive ownership of the Collaboration Hit Candidates (as defined in the Collaboration Agreement) that are in the then-current (un-terminated) discovery collaboration plans, including all relevant intellectual property rights.

Stock Purchase agreement: In connection with the entry into the Collaboration Agreement and RTX-003 License Agreement, the Company also entered into a Stock Purchase Agreement ("Stock Purchase Agreement") with RubrYc whereby we purchased 1,909,563 shares of RubrYc's Series A-2 preferred stock "Series A-2 Preferred") for $5,000,000 and agreed to acquire an additional 954,782 shares of RubrYc's Series A-2 Preferred for $2,500,000 in the event certain conditions set forth in the Stock Purchase Agreement are satisfied as of December 1, 2021. In connection with the Stock Purchase Agreement, the Company entered into the RubrYc Therapeutics, Inc. Second Amended and Restated Investors' Rights Agreement (the "Investors' Rights Agreement"), RubrYc Therapeutics, Inc. Second Amended and Restated Voting Agreement (the "Voting Agreement") and the RubrYc Therapeutics, Inc. Second Amended and Restated Right of First Refusal and Co-Sale Agreement (the "Right of First Refusal and Co-Sale Agreement").

The rights, preferences and privileges of the RubrYc Series A-2 Preferred Stock ("Series A-2 Preferred") are set forth in the Third Amended and Restated Certificate of Incorporation of RubrYc Therapeutics, Inc. (the "Amended RubrYc COI"), and include a preferential eight percent (8%) dividend, senior rights on liquidation, the right to elect a Series A-2 Preferred director for as long as the Company holds at least 1,500,000 shares of RubrYc stock, the right to vote on an as-converted basis, certain anti-dilution and other protective provisions, the right to convert the Series A-2 Preferred into shares of RubrYc common stock at the Company's option, and mandatory conversion of the Series A-2 Preferred into shares of RubrYc common stock upon (a) the closing of a firm-commitment underwritten public offering to the public pursuant to an effective registration statement under the Securities Act of 1933, as amended, for shares of RubrYc common stock at a per share price of at least five (5) times the Series A-2 Original Issue Price (as defined in the Amended RubrYc COI) and resulting in at least $30,000,000 of gross proceeds to RubrYc or (b) such other date, time or event, specified by vote or written consent of the majority of the aggregate voting power, on an as-converted basis, of the RubrYc Series A preferred stock ("Series A Preferred" and together with the Series A-2 Preferred, the "Senior Preferred Stock") and Series A-2 Preferred. The Right of First Refusal and Co-Sale Agreement gives RubrYc the right of first refusal on stock sales by key holders, generally defined as founders, and a second right of first refusal and a co-sale right to specified other investors, including certain holders of Senior Preferred Stock and the Company.

The Investors' Rights Agreement provides the holders of Senior Preferred Stock with, among things: (i) demand registration rights, under specified circumstances; (ii) piggyback registration rights in the event of a company registered offering; (iii) lock-up and market-standoff obligations following a registered underwritten public offering; (iv) preemptive rights on company offered securities; and (v) additional protective covenants that require the approval at least two of the three directors elected by the holders of the Senior Preferred Stock .

Pursuant to the Voting Agreement, certain RubrYc stockholders are contractually obligated to, among other things, vote for and maintain the authorized number of directors at five members, one of which the Company has the contractual right to elect subject to the conditions set forth above.

San Diego Lease

On September 11, 2021, iBio entered into a lease with SAN DIEGO INSPIRE 4, LLC for approximately 11,383 square feet of lab and office space at 11750 Sorrento Valley Road in San Diego, CA. The lease will commence upon completion of the build out of the facility estimated to be in January 2022. The lease is for seven years and four months. The lease is triple net with Base Rent starting at $4.50 per month per square foot escalating approximately 3.0 percent per year during the course of the lease. iBio will use the facility primarily for R&D associated with its biologic product portfolio.

Termination of Planet Biotechnology License Agreement

On August 27, 2020, the Company entered into an exclusive worldwide license agreement with Planet Biotechnology Inc. ("Planet") for the development of Planet's COVID-19 therapeutic candidate, ACE2-F. The Company made a one-time up-front payment of $150,000 on September 11, 2020.

In the first quarter of 2022, the Company decided to terminate the partnership with Planet for the development of the recombinant ACE2-Fc protein as treatment for COVID-19 and other coronavirus diseases. As a result of the contract termination, the Company recorded an impairment of the intangible asset related to the license (refer to Note 10 – Intangible Assets). The Company will not owe any future payments to Planet Biotechnology as a result of the termination.

Issuances of stock options during Fiscal 2022 were as follows:

- On July 12, 2021, the Company granted a stock option agreement to an employee to purchase 25,000 shares of the Company's common stock at an exercise price of $1.35 per share. The option vests over a period of three years and expire on the tenth anniversary of the grant date.

- On July 19, 2021, the Company granted a stock option agreement to an employee to purchase 25,000 shares of the Company's common stock at an exercise price of $1.41 per share. The option vests over a period of three years and expire on the tenth anniversary of the grant date.

- On August 23, 2021, the Company granted a stock option agreement to a new member of its Board of Directors to purchase 100,000 shares of the Company's common stock at an exercise price of $1.26 per share. The option vests over a period of three years and expire on the tenth anniversary of the grant date.

- On August 23, 2021, the Company granted stock option agreements to various employees to purchase 3,937,191 shares of the Company's common stock at an exercise price of $1.26 per share. The options vest over a period of three years and expire on the tenth anniversary of the grant date.

- On September 23, 2021, the Board of Directors approved the award of a cash bonus to Mr. Isett of $509,000 and a grant of an option to purchase two million (2,000,000) shares of our common stock with an exercise price of $1.17, which vest in equal monthly installments over a 36-month period following the grant date, subject to the conditions of the iBio, Inc. 2020 Omnibus Incentive Plan, as amended.

Issuances of restricted stock units during Fiscal 2022 were as follows:

- On August 23, 2021, the Company issued RSUs to acquire 105,723 shares of common stock for various employees at a market value of $1.26 per share. The RSUs vest over a four-year period. The grant-date fair value of the RSU's totaled approximately $133,000.

26. Disclosure of Prior Period Financial Statement Immaterial Errors

Operating Expense Reclassifications

The Company reclassified certain expenses on its Condensed Consolidated Statement of Operations effective for the third quarter of fiscal 2021. These changes in classification align the Company's external presentation of operating-related expenses with the way that the Company's chief operating decision maker (CODM) assesses spend and resource allocation decisions around the Company's operations as well as provide users of the financial statements with more information including separately stating cost of goods sold and classifying costs on the Statement of Operations according to their primary function (e.g., Research and development). The Company has reclassified these expenses for the prior periods presented to provide comparable historical financial information. The Company intends to use this new presentation of operating-related expenses going forward.

The Company assessed the materiality of this error in accordance with SAB No. 99 "Materiality" and Accounting Standards Codification 250 Accounting Changes and Error Corrections and determined that this was an immaterial error.

The reclassifications did not have any impact to consolidated operating income (loss), net income (loss), cash flows or earnings per share. The following tables illustrate the reclassifications and financial impact on the various line items impacted on the Condensed Consolidated Statement of Operations and Segment Reporting, as follows:

Statement of Operations Reclassifications

(In thousands)	Year Ended June 30, 2020			
Operating expense:	As Reported	Adjustment	As Revised	% Change
Cost of goods sold	$ —	$ 703	$ 703	100 %
Research and development	3,213	360	3,573	11 %
General and administrative	12,428	(1,063)	11,365	(9)%
Total operating expenses	$ 15,641		$ 15,641	

Segment Reporting Reclassifications

As Reported:

For the Year Ended June 30, 2020 (in thousands)	iBio, Inc.	iBio CDMO	Eliminations	Total
Cost of goods sold	$ —	$ —	$ —	$ —
Research and development	1,106	3,805	(1,698)	3,213
General and administrative	5,381	7,807	(760)	12,428

As Revised:

For the Year Ended June 30, 2020 (in thousands)	iBio, Inc.	iBio CDMO	Eliminations	Total
Cost of goods sold	$ 640	$ 63	$ —	$ 703
Research and development	491	4,780	(1,698)	3,573
General and administrative	5,356	6,769	(760)	11,365

Share Issuance

The Company revised previously issued condensed consolidated financial statements as of March 31, 2020 and for the three- and nine-month periods ended March 31, 2021 for an error related to the omission of a share issuance completed during the period. A summary of revisions to our previously reported financial statements presented herein for comparative purposes is included below:

Revised Consolidated Balance Sheets

(In thousands)	June 30, 2020		
	As Reported	Adjustment	As Revised
Subscription receivable	$ —	$ 2,190	$ 2,190
Total current assets	61,748	2,190	63,938
Total Assets	94,189	2,190	96,379
APIC	206,931	2,190	209,121
Total equity	56,607	2,190	58,797
Total liabilities and equity	94,189	2,190	96,379

Revised Consolidated Statement of Operations

	Year Ended June 30, 2020		
Loss per common share attributable to iBio, Inc. stockholders – basic and diluted	$ (0.61)	0.00	(0.61)
Weighted-average common shares outstanding – basic and diluted (000's)	62,795	96	62,891

Exhibit 4.10

DESCRIPTION OF SECURITIES
REGISTERED PURSUANT TO SECTION 12 OF THE
SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

iBio, Inc. (the "Company," "we," "us," and "our") has one class of securities registered under Section 12 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), which is our common stock, par value $0.001 per share (the "common stock").

General

The following is a description of the material terms of our common stock. This is a summary only and does not purport to be complete. It is subject to and qualified in its entirety by reference to our Certificate of Incorporation, as amended (the "Certificate of Incorporation"), and our First Amended and Restated Bylaws (the "Bylaws"), each of which are incorporated by reference as an exhibit to our Annual Report on Form 10-K. We encourage you to read our Certificate of Incorporation, our Bylaws and the applicable provisions of the Delaware General Corporation Law, for additional information.

Description of Common Stock

Authorized Shares of Common Stock. We currently have authorized 275,000,000 shares of common stock.

Voting. The holders of our common stock are entitled to one vote per share on all matters to be voted upon by the stockholders and are not entitled to cumulative voting for the election of directors.

Dividends. Subject to preferences that may be applicable to any then outstanding preferred stock, the holders of common stock are entitled to receive dividends, if any, as may be declared from time to time by our Board of Directors out of legally available funds.

Liquidation. In the event of liquidation, dissolution or winding up of our company, the holders of common stock are entitled to share ratably in all assets remaining after payment of liabilities and the preferences of preferred stockholders.

Rights and Preferences. The holders of our common stock have no preemptive, conversion or other subscription rights, and there are no redemption or sinking fund provisions applicable to our common stock. The rights, preferences and privileges of the holders of our common stock are subject to, and may be adversely affected by, the rights of the holders of shares of any series of our preferred stock that is currently outstanding or that we may designate and issue in the future.

Fully Paid and Nonassessable. All of our issued and outstanding shares of common stock are fully paid and nonassessable.

Potential Anti-Takeover Effects

Certain provisions set forth in our Certificate of Incorporation and Bylaws and in Delaware law, which are summarized below, may be deemed to have an anti-takeover effect and may delay, deter or prevent a tender offer or takeover attempt that a stockholder might consider to be in its best interests, including attempts that might result in a premium being paid over the market price for the shares held by stockholders.

Pursuant to our Certificate of Incorporation, our Board of Directors may issue additional shares of common or preferred stock. Any additional issuance of common stock could have the effect of impeding or discouraging the acquisition of control of us by means of a merger, tender offer, proxy contest or otherwise, including a transaction in which our stockholders would receive a premium over the market price for their shares, and thereby protect the continuity of our management. Specifically, if in the due exercise of its fiduciary obligations, the Board of Directors were to determine that a takeover proposal was not in our best interest, shares could be issued by our Board of Directors

without stockholder approval in one or more transactions that might prevent or render more difficult or costly the completion of the takeover by:

- Diluting the voting or other rights of the proposed acquirer or insurgent stockholder group;
- Putting a substantial voting bloc in institutional or other hands that might undertake to support the incumbent Board of Directors; or
- Effecting an acquisition that might complicate or preclude the takeover.

Our Certificate of Incorporation also allows our Board of Directors to fix the number of directors in our Bylaws. Cumulative voting in the election of directors is specifically denied in our Certificate of Incorporation. The effect of these provisions may be to delay or prevent a tender offer or takeover attempt that a stockholder may determine to be in his, her or its best interest, including attempts that might result in a premium over the market price for the shares held by the stockholders.

In addition to the foregoing, our Certificate of Incorporation and Bylaws contain the following provisions:

Staggered Board. Our Board of Directors is divided into three classes of directors, Class I, II and III, with each class serving staggered 3-year terms.

Nominations of Directors and Proposals of Business. Our Bylaws generally regulate nominations for election of directors by stockholders and proposals of business at annual meetings. In general, Sections 1.10 and 1.11 of our Bylaws require stockholders intending to submit nominations or proposals at an annual meeting of stockholders to provide the Company with advance notice thereof, including information regarding the nomination or the stockholder proposing the business as well as information regarding the nominee or the proposed business. Sections 1.10 and 1.11 of our Bylaws provide a time period during which nominations or business must be provided to the Company that will create a predictable window for the submission of such notices, eliminating the risk that the Company finds a meeting will be contested after printing its proxy materials for an uncontested election and providing the Company with a reasonable opportunity to respond to nominations and proposals by stockholders.

Board Vacancies. Our Bylaws generally provide that only the Board of Directors (and not the stockholders) may fill vacancies and newly created directorships.

Special Meeting of Stockholders. Our Bylaws generally provide that special meetings of stockholders for any purpose or purposes for which meetings may be lawfully called, may be called at any time by our Board of Directors, the Chairman of the Board, the Chief Executive Officer or by one or more stockholders holding shares in the aggregate entitled to cast not less than fifty percent (50%) of the votes at that meeting. Business transacted at any special meeting of stockholders shall be limited to matters relating to the purpose or purposes stated in the notice of meeting.

While the foregoing provisions of our Certificate of Incorporation, Bylaws and Delaware law may have an anti-takeover effect, these provisions are intended to enhance the likelihood of continuity and stability in the composition of the Board of Directors and in the policies formulated by the Board of Directors and to discourage certain types of transactions that may involve an actual or threatened change of control. In that regard, these provisions are designed to reduce our vulnerability to an unsolicited acquisition proposal. The provisions also are intended to discourage certain tactics that may be used in proxy fights. However, such provisions could have the effect of discouraging others from making tender offers for our shares and, as a consequence, they also may inhibit fluctuations in the market price of our common stock that could result from actual or rumored takeover attempts. Such provisions also may have the effect of preventing changes in our management.

Delaware Takeover Statute

In general, Section 203 of the Delaware General Corporation Law prohibits a Delaware corporation that is a public company from engaging in any "business combination" (as defined below) with any "interested stockholder" (defined generally as an entity or person beneficially owning 15% or more of the outstanding voting stock of the corporation and any entity or person affiliated with such entity or person) for a period of three years following the date that such stockholder became an interested stockholder, unless: (1) prior to such date, the board of directors of the corporation approved either the business combination or the transaction that resulted in the stockholder becoming an interested

stockholder; (2) on consummation of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding for purposes of determining the number of shares outstanding those shares owned (x) by persons who are directors and also officers and (y) by employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or (3) on or subsequent to such date, the business combination is approved by the board of directors and authorized at an annual or special meeting of stockholders, and not by written consent, by the affirmative vote of at least two-thirds of the outstanding voting stock that is not owned by the interested stockholder.

Section 203 of the Delaware General Corporation Law defines "business combination" to include: (1) any merger or consolidation involving the corporation and the interested stockholder; (2) any sale, transfer, pledge or other disposition of ten percent or more of the assets of the corporation involving the interested stockholder; (3) subject to certain exceptions, any transaction that results in the issuance or transfer by the corporation of any stock of the corporation to the interested stockholder; (4) any transaction involving the corporation that has the effect of increasing the proportionate share of the stock of any class or series of the corporation beneficially owned by the interested stockholder; or (5) the receipt by the interested stockholder of the benefit of any loans, advances, guarantees, pledges or other financial benefits provided by or through the corporation.

Listing of Common Stock on the NYSE American

Our common stock is currently listed on the NYSE American under the trading symbol "IBIO."

Transfer Agent

The transfer agent and registrar for our common stock is Continental Stock Transfer & Trust Company. They are located at 1 State Street, 30th floor, New York, New York 10004. Their telephone number is (212) 509-4000.

Exhibit 10.20

EMPLOYMENT AGREEMENT

This Employment Agreement (this " Agreement") is entered into as of December 23, 2020 by and between iBio, Inc., a Delaware corporation (the "Company" or "iBio"), and Martin Brenner (the "Executive"). The Effective Date of this Agreement shall be January 18, 2021, provided Executive satisfactorily completes all pre-employment procedures (including, but not limited to a background check). If Executive fails to satisfactorily complete all such pre-employment procedures, this Agreement shall be null and void. In consideration of the premises and mutual covenants contained herein, and intending to be legally bound, the parties agree as follows:

1. Employment.

(a) Position. On the terms and subject to the conditions set forth in this Agreement, the Company shall employ the Executive and the Executive shall serve the Company as "Chief Scientific Officer."

(b) Duties. The Executive's duties and reporting structure shall be prescribed from time to time by the Chief Executive Officer and shall include such responsibilities as are customary for employees performing functions similar to those of the Executive. In addition, the Executive shall serve at no additional compensation in such executive capacity or capacities with respect to any subsidiary or affiliate of the Company to which he may assigned, provided that such duties are not inconsistent with those of a Chief Human Resources Officer. The Executive shall devote substantially all of the Executive's time and attention to the performance of the Executive's duties and responsibilities for and on behalf of the Company except as set forth herein or as may be consented to by the Company. Executive acknowledges and agrees that if the Company opens an office within a one-hour drive from Executive's current home, Executive shall be required to work from such office as assigned by the Chief Executive Officer. In addition, Executive shall be required to travel to any Company office, including, but not limited to, the facility in Texas as well as any office established in Maryland, as assigned by the Chief Executive Officer.

(c) Outside Activities. Notwithstanding anything to the contrary herein, Executive shall be permitted: (i) to serve as a member of the board of directors or advisory board (or their equivalents in the case of a non-corporate entity) of any (A) charitable or philanthropic organization; (ii) to engage in charitable, community or philanthropic activities or any other activities; or (iii) to serve as an executor, trustee or in a similar fiduciary capacity; provided, that the activities set out in the foregoing clauses shall be limited by the Executive so as not to affect, interfere or conflict with, individually or in the aggregate, the performance of the Executive's duties and responsibilities. Any outside activities in excess of the foregoing shall require the consent of the Chief Executive Offer. Executive shall be permitted to provide assistance to Pfenex for up to twenty hours per month until March 31, 2021, provided that his consulting contract with Pfenex is approved by the Chief Executive Officer of the Company.

(d) Company Policies. The employment relationship between the parties shall also be subject to the Company's personnel policies and procedures as they may be interpreted, adopted, revised or deleted from time to time in the Company's sole discretion. Notwithstanding the foregoing, in the event that the terms of this Agreement differ from or are in conflict with the Company's general employment policies or practices, this Agreement shall control.

2. At-will Employment. Subject to the provisions of section 4 of this Agreement, Executive shall be employed on an at-will basis. Neither this Agreement nor any of the Company's policies, practices or procedures constitute an expressed or implied contract of employment. Employment at the

Company and its affiliates is a voluntary employment "at-will" relationship for no definite period of time which affords either party the right to terminate the relationship at any time for any reason or for no reason at all not prohibited by law.

3. Compensation. The Executive shall receive, for all services rendered to the Company pursuant to this Agreement, the following:

(a) Base Salary. The Employee shall be paid a base salary at the rate of Four Hundred Five Thousand Dollars ($405,000.00) per annum ("Base Salary"), less such deductions for withholding taxes required under applicable law or as otherwise authorized by the Executive. The Base Salary shall accrue from and after the Effective Date, and shall be payable during the Term in equal periodic installments in accordance with Company's then current general salary payment policies. The Executive's Base Salary shall be reviewed from time to time by the Compensation Committee of the Board ("Compensation Committee"), and may be increased based upon the evaluation of the Executive's performance and the compensation policies of the Company in effect at the time of each such review.

(b) Bonus. Executive shall be eligible for a target bonus of 40% of the base salary paid to Executive during the prior fiscal year based upon the Compensation Committee's assessment of his performance and the performance of the Company during the prior fiscal year. In all events, any bonus awarded pursuant to this Section 3(b) will be paid within 2-1/2 months following the end of the fiscal year for which it is earned.

(c) Sign-On Bonus. Executive shall be eligible to receive a bonus of $120,000, less all lawful deductions, upon the Effective Date of this Agreement. This amount shall be paid to Executive within thirty (30) days of the Effective Date of this Agreement. Executive shall return this amount to the Company if Executive resigns without good reason within twelve months of the Effective Date of this Agreement.

(d) Option Grant. Executive shall receive an initial grant of nonqualified stock options to purchase 500,000 shares of iBio common stock based on the grant date stock price, subject to conditions of applicable law and the iBio, Inc. 2020 Omnibus Incentive Plan, as amended from time to time ("Plan") and grant agreement issued thereunder. Such options will vest at the following rates: (1) 25% of options granted will vest one year following the grant date; and (2) after one year following the grant date, 6.25% of the options granted will vest for each additional 3 months of employment, subject to the conditions of the Plan and grant agreement. The Executive shall also be eligible for additional grants of equity compensation from time to time, in a similar manner to other similarly situated executives, subject to the Company grant policy and applicable approvals of grants.

(e) Benefits. During the Term, the Company shall provide the Executive with the following benefits:

(i) Company Plans. The Executive and his dependents (as that term may be defined under the applicable benefit plan(s) of the Company) shall be included, if and to the extent eligible thereunder, in any and all standard benefit plans, programs and policies of the Company provided to similarly situated executives ("Benefits Plans"). The Executive acknowledges and agrees that the Benefits Plans may from time to time be modified by the Company as it deems necessary and appropriate.

(ii) Paid Time Off. During the Term, the Executive shall be entitled to paid vacation, paid holidays and other paid time off ("PTO") for which executives of the Company are generally eligible, in each case consistent with Company policy in effect from time to time. Any PTO unused at the end of a calendar year is forfeited. The Executive shall not be entitled to any payments for unused PTO upon the Executive's termination or resignation from employment for any reason.

(iii) Insurance. The Executive shall receive coverage under the Company's Directors and Officers Liability Insurance under terms and conditions substantially similar to other executives of the Company. The Executive acknowledges and agrees that such insurance may from time to time be modified by the Company as it deems necessary and appropriate.

(f) Withholding. The Company is authorized to deduct and withhold from the Executive's compensation all sums authorized by the Executive or necessary or required (whether by law, court decree, executive order or otherwise), including, but not limited to, social security, income tax withholding and otherwise, and any other amounts required by law or any taxing authority.

(g) Expenses. The Company shall reimburse the Executive for all reasonable out-of- pocket expenses incurred by the Executive in connection with the performance of the Executive's duties and responsibilities hereunder, upon presentment of a valid receipt or other usual and customary documents evidencing such expenses. The Company will reimburse properly substantiated and timely submitted expenses in accordance with Company policy.

4. Termination.

(a) The employment of the Executive hereunder (and this Agreement) shall be terminable as described in Section 2 subject to the provisions of this Section 4.

(b) Termination Upon Mutual Agreement. The Company and the Executive may, by mutual written agreement, terminate the employment of the Executive hereunder (and this Agreement) at any time, in which case the Executive will be entitled only to the Standard Termination Benefits (as defined in Section 4(i)).

(c) Termination by the Company for Cause. The employment of the Executive hereunder (and this Agreement) shall be terminated (but after the expiration of the cure period described in clause (v) below, if applicable), at the option of the Company, for "Cause" (as defined herein), upon written notice to the Executive specifying the subsection(s) of the definition of Cause relied on to support the decision to terminate, in which event the Company shall have no further obligations or liabilities under this Agreement (including, without limitation, Section 3

hereof) except to pay to the Executive the Standard Termination Benefits. Termination by the Company for Cause shall be effective immediately after the Company gives notice to Executive of Executive's termination, unless the Company specifies a later date, in which case, termination shall be effective as of such later date; provided that no effective date of termination shall precede the expiration of the cure period described in clause (v) below, if applicable. For purposes of this Agreement, "Cause" means: (i) an act of personal dishonesty in connection with the Executive's responsibilities as an employee of the Company that is intended to result in personal enrichment of the Executive; (ii) Executive's commission of a felony or other crime involving theft, fraud or moral turpitude which the Company reasonably believes has had or could have a material detrimental effect on the Company's reputation or business; (iii) a breach of any fiduciary duty owed to the Company that has, or reasonably could have, a material detrimental effect on the Company's reputation or business as determined in good faith by the Company; (iv) willful violations of the Executive's obligations to the Company; or (v) the material breach by the Executive of any material obligation imposed upon the Executive pursuant to this Agreement or any other material policy of the Company if (in the event such failure is reasonably susceptible of cure) such failure continues uncured for thirty (30) days after written notice specifying in reasonable detail such failure.

(d) Termination by the Company without Cause. The employment of the Executive hereunder (and this Agreement) may be terminated at any time, at the option of the Company without Cause. Termination by the Company without Cause shall be effective immediately after the Company gives notice to Executive of Executive's termination, unless the Company specifies a later date, in which case, termination shall be effective as of such later date.

(e) Termination Upon Death of Executive. This Agreement will terminate automatically upon the death of the Executive, in which event the Company shall have no further obligations or liabilities under this Agreement (including, without limitation, Section 3 hereof) except to pay to the Executive's estate or his personal representative, as the case may be, the Standard Termination Benefits.

(f) Termination Upon Disability of Executive. The employment of the Executive hereunder (and this Agreement) shall be terminated, at the option of the Company, upon not less than thirty (30) days prior written notice to the Executive or his legal representative, as the case may be, in the event the Executive suffers a "Total Disability" (as defined below), in which event the Company shall have no further obligations or liabilities under this Agreement (including, without limitation, Section 3 hereof) except to pay to the Executive or his legal representative, as the case may be, the Standard Termination Benefits. "Total Disability" shall the determination by the Company, that, because of a medically determinable disease, condition, injury or other physical or mental disability, the Executive is unable to substantially perform the duties of the Executive required hereby, and that such disability is determined or reasonably expected to last for a period of twelve weeks in a twelve month period unless a longer period is required by applicable law. This definition shall be interpreted and applied consistent with the Americans with Disabilities Act, the Family and Medical Leave Act, and other applicable law.

(g) Resignation by the Executive for Good Reason. The Executive shall be able to terminate this Agreement for Good Reason by providing written notice of termination to the Company within thirty (30) days after expiration of the cure period described in the last sentence

of this Section 4(g). For purposes of this Agreement, "Good Reason" means, with respect to the Executive, in each case to the extent not consented by the Executive: (i) a material diminution in Executive's base salary (unless applied proportionately to all similarly situated executives), (ii) assignment to a primary worksite different than described in section 1(b) of this Agreement; (iii) a material violation of this Agreement or any other material agreement between the Executive and the Company, by the Company; (iv) any assignment of duties to the Executive that would require an unreasonable amount of the Executive's work time and that are duties which customarily would be discharged by persons junior or subordinate in status to the Executive within the Company as determined in good faith by the Executive and taking into consideration trends and customs in the market and industry in which the Company operates; provided that the Executive shall not have Good Reason unless the Executive shall have provided the Company written notice describing such violation in sufficiently reasonable detail for the Company to understand the breach alleged to have occurred, with such notice provided to the Company no later than ten (10) days after the alleged breach first occurs, and the Company shall fail to cure such alleged breach within thirty (30) days after the Executive has provided the Company the required notice.

(h) Resignation by the Executive without Good Reason. The employment of the Executive hereunder (and this Agreement) may be terminated, at the option of the Executive, without Good Reason, upon thirty (30) days' prior written notice from the Executive to the Company, in which event the Company shall have no further obligations or liabilities under this Agreement (including, without limitation, Section 3 hereof) except to pay to the Executive the Standard Termination Benefits.

(i) Standard Termination Benefits in the Event of Separation from Employment. In the event that the Executive separates from employment for any reason or no reason, the Company shall pay to the Executive within thirty (30) days of such termination: (i) accrued and unpaid Base Salary in accordance with Section 3(a); (ii) any unreimbursed expenses payable in accordance with Section 4; and (iii) any amounts payable under any of the benefit plans of the Company in which the Executive was a participant in accordance with applicable law and the terms of those plans (collectively, the "Standard Termination Benefits").

(j) Severance. If the Company terminates the Executive's employment without cause, provided the Executive executes and does not revoke a Separation Agreement in a form acceptable to the Company, the Executive shall receive: (i) an amount equal to the Executive's then current Base Salary for nine (9) months (the "Severance Period"), less all applicable withholdings and deductions paid in equal installments in accordance with the Company's regular payroll dates, (ii) a pro rata share of any bonus earned by the Eligible Executive during the fiscal year in which occurs Executive's Separation from Service, based on actual attainment of metrics upon which the bonus is calculated (as determined by the Compensation Committee of the Board), with the proration based on the number of days worked during the fiscal year paid in a lump sum at the time the Company pays bonuses to similarly-situated employees; and (iii) provided Executive 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 the Severance Period. Notwithstanding the foregoing, timing of payments under this Section 4(j) shall be subject to Section 7 (relating to Section 409A of the Internal Revenue Code).

(k) Separation After a Change in Control . If the Company terminates the Executive's employment without Cause within twelve (12) months after a "change in control" (as defined in the Plan), or the Executive terminates employment with the Company for Good Reason within twelve (12) months after a "change in control" (as defined in the Plan), provided the Executive executes and does not revoke a Separation Agreement in a form acceptable to the Company, the Executive shall receive (i) an amount equal to the Executive's then current Base Salary for twelve months (12) months (the "Severance Period"), less all applicable withholdings and deductions paid in equal installments in accordance with the Company's regular payroll dates, (ii) an amount equal to the target bonus for which Executive would have been eligible during the Company fiscal year in which the Executive terminates employment, within thirty (30) days of Executive's execution of a Separation Agreement, (iii) vesting of any unvested time-vested equity awards held by the Executive at such time; and (iv) provided Executive 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 the Severance Period. Notwithstanding the foregoing, timing of payments under this Section 4(j) shall be subject to Section 7 (relating to Section 409A of the Internal Revenue Code).

5. Assignment of Intellectual Property Rights. In consideration of his employment, the Executive agrees to be bound by this Section 5.

(a) General. The Executive agrees to assign, and hereby assigns, to the Company all of his rights in any Inventions (as hereinafter defined) (including all Intellectual Property Rights (as hereinafter defined) therein or related thereto) that are made, conceived or reduced to practice, in whole or in part and whether alone or with others, by his during his employment by, or service with, the Company or which arise out of any activity conducted by, for or under the direction of the Company (whether or not conducted at the Company's facilities, working hours or using any of the Company's assets), or which are useful with, or relate directly or indirectly to, any Company Interest (as defined below). The Executive will promptly and fully disclose and provide all of the Inventions described above (the "Assigned Inventions") to the Company.

(b) Assurances. The Executive hereby agrees, during the Term and thereafter, to further assist the Company, at the Company's expense, to evidence, record and perfect the Company's rights in and ownership of the Assigned Inventions, to perfect, obtain, maintain, enforce and defend any rights specified to be so owned or assigned and to provide and execute all documentation necessary to effect the foregoing.

(c) Definitions. "Company Interest" means any business of the Company or any product, service, Invention or Intellectual Property Right that is used or under consideration or development by the Company. "Intellectual Property Rights" means any and all intellectual property rights and other similar proprietary rights in any jurisdiction, whether registered or unregistered, and whether owned or held for use under license with any third party, including all rights and interests pertaining to or deriving from: (a) patents and patent applications, reexaminations, extensions and counterparts claiming property therefrom; inventions, invention disclosures, discoveries and improvements, whether or not patentable; (b) computer software and firmware, including data files, source code, object code and software-related specifications and documentation; (c) works of authorship, whether or not copyrightable; (d) trade secrets (including those trade secrets defined in the Uniform Trade Secrets Act and under corresponding statutory law and common law), business, technical and know-how information, non-public information, and confidential information and rights to limit the use of disclosure thereof by any person; (e) trademarks, trade names, service marks, certification marks, service names, brands, trade dress and logos and the

goodwill associated therewith; (f) proprietary databases and data compilations and all documentation relating to the foregoing, including manuals, memoranda and record; (g) domain names; and (h) licenses of any of the foregoing; including in each case any registrations of, applications to register, and renewals and extensions of, any of the foregoing with or by any governmental authority in any jurisdiction. "Invention" means any products, process, ideas, improvements, discoveries, inventions, designs, algorithms, financial models, writings, works of authorship, content, graphics, data, software, specifications, instructions, text, images, photographs, illustration, audio clips, trade secrets and other works, material and information, tangible or intangible, whether or not it may be patented, copyrighted or otherwise protected (including all versions, modifications, enhancements and derivative work thereof).

6. Restrictive Covenants. The Executive acknowledges and agrees that he has and will have access to secret and confidential information of the Company, its affiliates, and its subsidiaries ("Confidential Information") and that the following restrictive covenants are necessary to protect the interests and continued success of the Company. As used in this Agreement, Confidential Information includes, without limitation, all information of a technical or commercial nature (such as research and development information, patents, trademarks and copyrights and applications thereto, formulas, codes, computer programs, software, methodologies, processes, innovations, software tools, know-how, knowledge, designs, drawings specifications, concepts, data, reports, techniques, documentation, pricing information, marketing plans, customer and prospect lists, trade secrets, financial information, salaries, business affairs, suppliers, profits, markets, sales strategies, forecasts and personnel information), whether written or oral, relating to the business and affairs of the Company, its customers and/or other business associates which has not been made available to the general public.

(a) Confidentiality. The Executive shall not disclose any Confidential Information to any person or entity at any time during the Term or after the separation of Executive from employment with the Company.

(b) Non-Compete. In consideration of the employment hereunder, the Executive agrees that during his employment and for a period of one (1) year thereafter, the Executive will not (and will cause any entity controlled by the Executive not to), directly or indirectly, whether or not for compensation and whether or not as an employee, be engaged in or have any financial interest in any business competing with or which may compete with the business of the Company within any state within the United States or solicit, advise, provide services or products of the same or similar nature to services or products of the Company to any person or entity. For purposes of this Agreement, the Executive will be deemed to be engaged in or to have a financial interest in such competitive business if he is an executive, officer, director, shareholder, joint venturer, salesperson, consultant, investor, advisor, principal or partner, of any person, partnership, corporation, trust or other entity which is engaged in such a competitive business, or if he directly or indirectly performs services for such an entity in a capacity the same as or similar to that which Executive performed for the Company; provided, however, that the foregoing will not prohibit the Executive from owning, for the purpose of passive investment, less than 2% of

any class of securities of a publicly held corporation or performing work for competitive business if such work is not similar to the work performed by Executive for the Company.

(c) Non-Solicitation/Non-Interference. The Executive agrees that during the Term and for an additional one (1) year after the separation of Executive from employment with the Company, the Executive shall not (and shall cause any entity controlled by the Executive not to), directly or indirectly: (i) solicit, request or otherwise attempt to induce or influence, directly or indirectly, any present client, distributor, licensor or supplier, or prospective client, distributor, licensor or supplier, of the Company, or other persons sharing a business relationship with the Company, to cancel, limit or postpone their business with the Company, or otherwise take action which might cause a financial disadvantage of the Company; or (ii) hire or solicit for employment, directly or indirectly, or induce or actively attempt to influence, any employee, officer, director, agent, contractor or other business associate of the Company, to terminate his or her employment or discontinue such person's consultant, contractor or other business association with the Company. For purposes of this Agreement the term "prospective client" shall mean any person, group of associated persons or entity whose business the Company has directly solicited within the one-year period prior to the termination of his employment.

(d) Non-Disparagement. Executive agrees that he will not in any way disparage the Company, including current or former officers, directors and employees, nor will he make or solicit any comments, statements or the like to the media or to others that may be considered to be disparaging, derogatory or detrimental to the good name or business reputation of the Company.

(e) If the Company, in its reasonable discretion, determines that the Executive violated any of the restrictive covenants contained in this Section 6, the applicable restrictive period shall be increased by the period of time from the commencement of any such violation until the time such violation shall be cured by the Executive to the satisfaction of the Company. Executive agrees that a violation of any of the restrictive covenants contained in this Section 6 shall constitute grounds for forfeiture of any equity-based awards granted to Executive by the Company (regardless of the extent to which Executive has vested in such awards), and grounds for the Company to recoup from the Executive any proceeds of equity-based awards granted to Executive by the Company.

(f) In the event that either any scope or restrictive period set forth in this Section 6 is deemed to be unreasonably restrictive or unenforceable in any court proceeding, the scope and/or restrictive period shall be reduced to equal the maximum scope and/or restrictive period allowable under the circumstances.

(g) The Executive acknowledges and agrees that in the event of a breach or threatened breach of the provisions of this Section 6 by the Executive, the Company may suffer irreparable harm and, therefore, in advance of arbitration, the Company shall be entitled to seek immediate injunctive relief restraining the Executive from such breach or threatened breach of the restrictive covenants contained in this Section 5 in a court of competent jurisdiction in Brazos County Texas or if the jurisdiction prerequisites exist, the United States District Court for the Southern District of Texas. Nothing herein shall be construed as prohibiting the Company from pursuing any other remedies available to it in arbitration for such breach or threatened breach, including the

recovery of damages from the Executive. The Company acknowledges and agrees that in the event of a breach or threatened breach of the provisions of Section by the Company, the Executive may suffer irreparable reputation harm and, therefore, the Executive shall be entitled to seek immediate injunctive relief restraining the Company from such breach or threatened breach of the restrictive covenants contained in Section. Nothing herein shall be construed as prohibiting the Executive from pursuing any other remedies available to him for such breach or threatened breach, including the recovery of damages from the Company.

(h) Under the federal Defend Trade Secrets Act of 2016 (18 U.S.C. § 1833(b)), "An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that—(A) is made—(i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal." Nothing in this Agreement is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by 18 U.S.C. § 1833(b). Accordingly, the parties to this Agreement have the right to disclose in confidence trade secrets to federal, state, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of law. The parties also have the right to disclose trade secrets in a document filed in a lawsuit or other proceeding, but only if the filing is made under seal and protected from public disclosure.

7. Sections 409A and 280G of the Internal Revenue Code.

(a) Separation from Service. Notwithstanding anything in this Agreement to the contrary, to the extent that any severance or other payments or benefits paid or provided to Executive, if any, under this Agreement are considered deferred compensation subject to Section 409A of the Internal Revenue Code of 1986, as amended ("Code") and the final regulations and any guidance promulgated thereunder ("Section 409A") (such payments, the "Deferred Payments"), then to the extent required by Section 409A, no Deferred Payments will be payable unless Executive's termination of employment also constitutes a "separation from service," as defined in Treasury Regulations Section 1.409A-1(h) (a "Separation from Service"). Similarly, no Deferred Payments payable to Executive, if any, under this Agreement that otherwise would be exempt from Section 409A pursuant to Treasury Regulations Section 1.409A-1(b)(9) will be payable until Executive has a Separation from Service. For clarity, if Executive's employment with the Company is terminated by Executive or the Company (including, without limitation, by resignation) in a manner entitling Executive to Severance Benefits, but the Executive does not incur a Separation from Service, then any severance payments or benefits that are Deferred Payments and that are not immediately payable under this Section 7(a) will instead be paid to Executive when Executive incurs a Separation from Service, as if termination of employment occurred on such date notwithstanding that Executive may no longer be employed under this Agreement.

(b) Payment Delay. If, at the time of Executive's Separation from Service, the Company determines that Executive is a "specified employee" for purposes of Section 409A(a)(2)(B)(i) of the Code and that delayed commencement of any portion of the Deferred Payments is required to avoid a prohibited distribution under Section 409A(a)(2)(B)(i) of the Code

(any such delayed commencement, a "Payment Delay"), then that portion of the Deferred Payments will not be provided to Executive until the earlier of (i) the expiration of the six-month period measured from the date of Executive's Separation from Service, (ii) the date of Executive's death, or (iii) such earlier date as is permitted under Section 409A. Upon the expiration of the applicable Code Section 409A(a)(2)(B)(i) deferral period, all Deferred Payments deferred under the Payment Delay will be paid in a lump sum to Executive within 30 days following such expiration, and any remaining payments due under this Agreement will be paid as otherwise provided in this Agreement. The determination of whether Executive is a "specified employee" for purposes of Section 409A(a)(2)(B)(i) of the Code at the time of Executive's Separation from Service will be made by the Company, in its discretion, in accordance with Section 409A (including, without limitation, Treasury Regulations Section 1.409A-1(i)). For purposes of Section 409A (including, without limitation, for purposes of Treasury Regulations Section 1.409A-2(b)(2)(iii)), Executive's right to receive the payments under this Agreement, including the severance payments and benefits, will be treated as a right to receive a series of separate payments and, accordingly, each installment payment will at all times be considered a separate and distinct payment.

(c) Payment of Severance Upon Execution of a Release of Claims. Severance payments shall begin upon expiration of the revocation period under the general release of claims described in Sections 4(d) and (g), and the first payment made shall include amounts that would have been paid for preceding payroll periods had the general release of claims been executed and effective immediately upon the Executive's termination of employment. Notwithstanding the foregoing, if the period for signing and revoking the general release of claims spans two calendar years, any portion of the severance that is subject to Section 409A shall not be paid until the first payroll date in the second calendar year following expiration of the revocation period.

(d) Expense Reimbursement. If required for compliance with Section 409A of the Code, any expenses incurred by Executive that are reimbursed by the Company as a taxable reimbursement under this Agreement will be paid in accordance with Treasury Regulations Section 1.409A-3(i)(1)(iv) and in accordance with the Company's standard expense reimbursement policies, but in any event on or before the last day of Executive's taxable year following the taxable year in which Executive incurred the expenses. The amounts so reimbursed during any taxable year of Executive will not affect the amounts provided in any other taxable year of Executive, and Executive's right to reimbursement for these amounts will not be subject to liquidation or exchange for any other benefit.

(e) Section 280G of the Code. Notwithstanding any provision of this Agreement to the contrary, if any payment or benefit the Executive would receive from the Company pursuant to this Agreement or otherwise (a "Payment") would (i) constitute a "parachute payment" within the meaning of Section 280G of the Code and (ii) but for this Section 7(d), be subject to the excise tax imposed by Section 4999 of the Code (the "Excise Tax"), then such Payment will be equal to the Reduced Amount (as defined below). The "Reduced Amount" will be either (1) the largest portion of the Payment that would result in no portion of the Payment (after reduction) being subject to the Excise Tax or (2) the entire 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, net of the maximum reduction in federal

income taxes which could be obtained from a deduction of such state and local taxes), results in the Executive's receipt, on an after-tax basis, of the greatest amount of the Payment. If a reduction in the Payment is to be made, the reduction in payments and/or benefits will occur in the following order: (1) reduction of cash payments; and (2) reduction of other benefits paid to the Executive. In the event that acceleration of vesting of equity award compensation is to be reduced, such acceleration of vesting will be cancelled in the reverse order of the date of grant of the Executive's equity awards. This Section 7(e) shall supersede Section 12.1 of the Plan relating to Section 280G of the Code.

8. Attorneys' Fees. If any action at law or in equity (including arbitration) is necessary to enforce or interpret the terms of any provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees, costs and necessary disbursements in addition to any other relief to which such party may be entitled pursuant to the underlying action

9. No Conflicts. The Executive represents and warrants to the Company that the execution, delivery and performance by the Executive of this Agreement do not conflict with or result in a violation or breach of, or constitute (with or without the giving of notice or the lapse of time or both) a default under any contract, agreement or understanding, whether oral or written, to which the Executive is a party or by which the Executive is bound and that there are no restrictions, covenants, agreements or limitations on the Executive's right or ability to enter into and perform the terms of this Agreement, and the Executive agrees to indemnify and save the Company harmless from any liability, cost or expense, including attorney's fees, based upon or arising out of any breach of this Section 9.

10. Waiver. The waiver by either party of any breach by the other party of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by such party. No person acting other than pursuant to a resolution of the Company shall have authority on behalf of the Company to agree to amend, modify, repeal, waive or extend any provision of this Agreement.

11. Assignment. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the Company. This Agreement shall inure to the benefit of and be enforceable by the Executive or his legal representatives, executors, administrators and heirs. The Executive may not assign any of the Executive's duties, responsibilities, obligations or positions hereunder to any person and any such purported assignment by the Executive shall be void and of no force and effect.

12. Notices. All notices, requests, demands and other communications which are required or may be given pursuant to this Agreement shall be in writing and shall be deemed to have been duly given when received if personally delivered; upon confirmation of transmission if sent by telecopy, electronic or digital transmission; the day after it is sent, if sent for next day delivery to a domestic address by recognized overnight delivery service (e.g., Federal Express); and upon receipt, if sent by certified or registered mail, return receipt requested. In each case notice shall be sent to:

If to Executive, addressed to:	If to the Company, addressed to:
Martin Brenner 1598 Avocado Road Oceanside, CA 92054	iBio, Inc. 8800 HSC Parkway Bryan, TX 77807 ATTN: CEO Cc: legal@ibioinc.com

or to such other place and with such other copies as either party may designate as to itself by written notice to the others.

13. Miscellaneous.

(a) Governing Law; Jurisdiction/Venue. This Agreement shall be governed by and its provisions construed and enforced in accordance with the laws of Texas without reference to its principles regarding conflicts of law.

(b) Arbitration. The Parties mutually agree that any and all claims or controversies arising out of or relating to Employee's employment, the termination thereof, or otherwise arising between Executive and the Company shall, in lieu of a jury or other civil trial, be settled by final and binding arbitration. This includes all claims between the parties. The parties also agree to submit claims to the arbitrator regarding issues of arbitrability, the validity, scope, and enforceability of this Agreement, jurisdictional issues, and any other challenges to this Agreement. Nothing in this Agreement shall be construed to prevent either party's use of provisional remedies in aid of arbitration from a court of appropriate jurisdiction including, but not limited to, claims for temporary or preliminary injunctive relief as described in section 6. The Parties consent to the jurisdiction of the Brazos County Texas courts and if the jurisdictional prerequisites exist, the United States District Court for the Southern District of Texas for such provisional relief. Such arbitration shall be conducted in accordance with the JAMS Employment Arbitration Rules & Procedures. Any such arbitration will be conducted in Bryan, Texas. Except as otherwise provided by applicable law, the administrative costs of the arbitration (filing fees, cost for the arbitration site, hearing fees, arbitrator's fee) shall be divided equally between the parties. In the event that the applicable rules of JAMS, any express statutory provisions, or controlling case law conflicts with this allocation and requires the payment of administrative costs of arbitration by the Company, the administrative costs of arbitration will be paid by The Company. The Parties agree that to the extent, if any, Employee may have a non-waivable right to file a claim or charge against the Company (such as claims for unemployment benefits, workers' compensation benefits, or charges of discrimination with the Equal Employment Opportunity Commission), this Agreement shall not be intended to waive such a right to file. If Employee or the Company arbitrates a claim against the other, neither the employee nor the Company shall, without written consent of the other party, have the right to participate in a class action in court or in arbitration, either as a class representative or a class member or join or consolidate claims with any other claims asserted by any other person. In the event any portion of this agreement is found to be unenforceable, that portion shall not be effective and the remainder of the agreement shall remain effective.

(c) Waiver of Jury Trial. To the extent either party is found to have a right to proceed with any action outside an arbitral forum, the parties hereby waive their respective rights to a trial by jury, and further agree that no demand, request or motion will be made for trial by jury.

(d) Severability. In the event that any one or more of the provisions of this Agreement shall be held to be invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

(e) Headings. The descriptive headings of the several paragraphs of this Agreement are inserted for convenience of reference only and shall not constitute a part of this Agreement.

(f) Entire Agreement. This Agreement contains the entire agreement of the parties concerning the Executive's employment and all promises, representations, understandings, arrangements and prior agreements on such subject are merged herein and superseded hereby.

(g) Representation by Counsel. Each of the parties hereto acknowledges that: (i) it or he has read this Agreement in its entirety and understands all of its terms and conditions; (ii) it or he has had the opportunity to consult with any individuals of its or his choice regarding its or his agreement to the provisions contained herein, including legal counsel of its or his choice, and any decision not to was its or his alone; and (iii) it or he is entering into this Agreement of its or his own free will, without coercion from any source.

(h) Survival. The provisions of Sections 4 through 8, and this Section 13 shall survive termination of this Agreement.

(i) Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same Agreement. Delivery of facsimile or .pdf, or other electronic copies (complying with the U.S. federal ESIGN Act of 2000 (e.g., www.docusign.com)) of signature pages for this Agreement shall be valid and treated for all purposes as delivery of the originals.

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer and the Executive has set his hand, all as of the day and year first above written.

iBio, Inc.

By: /s/ Thomas F. Iset
Thomas F. Isett
Chief Executive Officer

Executive

/s/ Martin Brenner
Martin Brenner

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS EXHIBIT MARKED BY [***] HAS BEEN OMITTED BECAUSE IT IS BOTH NOT MATERIAL AND IS THE TYPE OF INFORMATION THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL

CONFIDENTIAL SETTLEMENT AGREEMENT AND MUTUAL RELEASE

This Confidential Settlement Agreement and Mutual Release (this "Settlement Agreement") is entered into as of April 30, 2021 ("Effective Date") by and between iBio, Inc. ("iBio"), a Delaware corporation with a principal place of business at 8800 HSC Parkway, Bryan, TX 77807, and Fraunhofer USA, Inc. ("FhUSA"), a Rhode Island not-for-profit corporation with its principal place of business at 44792 Helm Street, Plymouth, Michigan, 48170. iBio and FhUSA are referred to together as the "Parties" and each individually as a "Party."

WHEREAS, iBio and FhUSA have been engaged in litigation captioned *iBio, Inc. v. Fraunhofer USA, Inc.* (the "Litigation"), in which iBio has asserted claims against FhUSA, and FhUSA has asserted counterclaims against iBio;

WHEREAS, each Party has denied and continues to deny the allegations and claims asserted by the other Party;

WHEREAS, the Parties wish to settle, compromise, and finally resolve all claims that may exist between them without the burden, distraction, expense, and uncertainty of further litigation;

WHEREAS, as part of the consideration for the settlement, iBio and FhUSA are executing a License Agreement (attached hereto as Exhibit A) with regard to certain intellectual property;

And WHEREAS, the Parties agree that the overarching purpose of the settlement is to resolve existing disputes, to avoid future disputes between the Parties, and to ensure that each Party has freedom to operate as expressly allowed in the Settlement Agreement and License Agreement.

NOW, THEREFORE, in consideration of the mutual releases, agreements, and other covenants listed herein, and for other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. **Settlement Payments.** FhUSA shall pay or cause to be paid a total of $26,200,000 by wire transfer of immediately available funds to the account(s) designated in writing by iBio's counsel, Kirkland & Ellis LLP. Settlement payments shall be made on the following schedule and conditions:

   (a) Payment 1: $16,000,000 by the end of the first calendar quarter of 2021 or ten (10) Business Days after signing of the Settlement Agreement, whichever is later. At the time of signing of this Settlement Agreement, the signatures will be held until confirmation is received by iBio that the money has been deposited into the designated account.

(b) Payment 2: An additional $5,100,000 no later than March 31, 2022; and

(c) Payment 3: An additional $5,100,000 no later than March 31, 2023.

(d) Security: A Standby Letter of Credit for Payments 2 and 3 will be provided to iBio by FhUSA within ten (10) days of execution of this Settlement Agreement.

2. Two separate payments, in amounts of $900,000 each by no later than March 1, 2022 and in the amount of $900,000 by no later than March 1, 2023, will be paid by FhUSA to iBio as set forth in the License Agreement, which is attached hereto as Exhibit A and a part of this Settlement Agreement.

3. **Dismissal of Claims.** Within three (3) business days after confirmation of receipt in full of the $16,000,000 initial payment, the Parties shall submit a stipulated order dismissing all claims with prejudice asserted in Delaware Chancery Court Case No. 10256-VCF, i*Bio, Inc. v. Fraunhofer USA, Inc.*, with each side to bear its own costs and attorneys' fees.

4. **Prior and Existing Agreements.** The Parties and, in the case of iBio, its predecessors in interest, have entered into a number of agreements between them from 2003 through 2014 (referred to herein as "Prior Agreements"). The Parties have also on occasion entered into agreements with each other and with third parties (referred to herein as "Third-Party Agreements"). As more specifically discussed in Section 3(b), *infra*, rights granted by the Parties to third parties pursuant to either the Prior Agreements or the Third-Party Agreements are not diminished by this Settlement Agreement or the License Agreement in Exhibit A.

(a) Authority to Act. Each Party represents and covenants that it has full authority to act on behalf of any predecessors in interest as well as on behalf of itself and its subsidiaries and affiliates as to all terms of this Settlement Agreement and that it has full authority to act with regard to all of the Prior Agreements.

(b) Third Party Rights. Any license or sublicense grants or other grants of intellectual property rights to third parties prior to the date of this Settlement Agreement, including all rights that have been granted to the Federal Government, are unaffected by this Agreement or the License Agreement (Exhibit A hereto).

(c) Non-Reliance. Neither party is making any representations, warranties, or covenants to the other party whatsoever concerning the business of or relating to the exploitation of the Technology, as defined in the License Agreement (Exhibit A hereto), and each Party hereby acknowledges to the other party that it has performed and relied upon its own investigations and due diligence and has sought its own professional advice in entering into this Settlement Agreement.

(d) Entire Agreement. The Prior Agreements between the parties are hereby terminated and superseded, and all terms and obligations of those Prior Agreements not expressly incorporated herein are of no further effect. Accordingly, this Settlement Agreement and the License Agreement (Exhibit A hereto) are not to be construed by reference to the terms of the prior agreements between the parties.

5. **General Mutual Release of Claims**. In consideration of the terms and conditions of this Settlement Agreement, each of the Parties on behalf of itself and its respective affiliates, parents, subsidiaries, members, predecessors and successors in interest, assigns, agents, advisors, and counsel irrevocably and unconditionally remises, releases, and forever discharges the other Party and its respective affiliates, parents, subsidiaries, members, predecessors and successors in interest, assigns, agents, advisors, and attorneys of and from any and all actions, claims, liabilities, suits, causes of action, debts, charges, complaints, obligations, demands, expenses, obligations, damages, attorneys' fees, and debts that each Party ever had or now has, whether known or unknown, whether asserted or unasserted, for or by reason of any cause, matter, or thing whatsoever, whether pursuant to statute, common law, or otherwise, from the beginning of time to the date of the signing of this Agreement, including but not limited to the claims and counterclaims and causes of actions arising from or relating to the facts and matters alleged in Delaware Chancery Court Case No. 10256-VCF, *iBio, Inc. v. Fraunhofer USA, Inc.*, and against non-party Fraunhofer-Gesellschaft in Case No. 2017-0790-TMR, i*Bio, Inc. v. Fraunhofer-Gesellschaft Zur Förderung Der Angewandten Forschung E.V.*

6. **No Admission of Liability.** This Settlement Agreement is entered into solely for the purpose of avoiding the continued expenses, burdens, and distractions of litigation, and does not constitute and will not be deemed to be an admission of liability or fault on the part of any Party, or as a concession that any of them has acted improperly in any way. Neither this Settlement Agreement nor any of its terms shall be offered or admitted into evidence or referenced in any judicial, administrative, enforcement, or dispute resolution proceeding as evidence or admission of any liability.

7. **Discovery Materials.** Within 30 days of the Effective Date of this Settlement Agreement, FhUSA will permit iBio to make use of the laboratory notebooks, standard operating procedures, and batch production records that were created by FhUSA for plant-based manufacturing prior to January 1, 2015 and were produced in *iBio, Inc. v. Fraunhofer USA, Inc.*, No. 10256-VCF (Del. Ch.). Those will be released from the Highly Confidential designation pursuant to the protective order in *iBio, Inc. v. Fraunhofer USA, Inc*., No. 10256-VCF (Del. Ch.). All other Discovery Materials produced and marked Confidential or Highly Confidential, including the laboratory notebooks, standard operating procedures, and batch production records that do not satisfy both criteria above, will remain subject to the Confidential or Highly Confidential designation and handled consistent with the provisions of the protective order. FhUSA makes no representation whether and to what extent any of the Discovery Materials contain Technology within the meaning of the Prior Agreements or whether they contain third-party proprietary material. Included in the Discovery Materials are 35 SOPs (referenced in Schedule A) that pertain to the operation or maintenance of the FhUSA building or the physical equipment therein, and which accordingly can be used by FhUSA or any subsequent owner or operator of the building and/or equipment.

8. **Authority to Settle.** The Parties each represent, warrant, and guarantee that such Party has the necessary power and authority to enter into this Settlement Agreement and to carry out its obligations hereunder. Each individual who executes this Settlement Agreement on behalf of a Party represents that he is fully authorized to execute the Settlement Agreement on behalf of such Party and that he has secured approval of its Board of Directors to the extent required.

9. **Review of Settlement Agreement.** Each Party recognizes that it has been represented by counsel during the negotiations of this Agreement. Each Party further acknowledges and warrants that it has thoroughly reviewed this Settlement Agreement with counsel and such other professionals as needed to assure itself that it can proceed in compliance with its terms. Each Party further represents that it has entered into the Settlement Agreement knowingly and voluntarily.

10. **No Duty**. Neither party has a duty of disclosure to the other, and neither is relying upon a legal duty on the part of the other or on the part of any employee, agent, representative, or counsel of the party in entering into this Settlement Agreement. No Party will assert a failure to disclose information as a basis for challenging any term of this Settlement Agreement.

11. **Confidentiality and Non-Disparagement.** The Parties hereto and their counsel shall keep the terms of this Settlement Agreement and the related License Agreement confidential except to the extent necessary: (a) to satisfy the requirements of any regulatory agency; (b) in response to a court order or subpoena; (c) to their auditors, accountants, regulators, or counsel; (d) by FhUSA to prospective buyers to confirm that iBio has no claim to physical assets of the facility and equipment of the Center for Molecular Biotechnology subject to typical due diligence confidentiality; or (e) by prior agreement of the Parties. If a Party receives a subpoena, motion, or other process which calls for the disclosure of the terms of this Agreement, such party shall promptly give notice to each other Party of the subpoena, motion, or other process and shall provide such other Party an opportunity to appear and participate in any proceedings relating to such requested disclosure. The Parties recognize that disclosure under subparts 11(a)-11(d) may otherwise cause portions of the Settlement Agreement or License Agreement to be disclosed beyond the Parties and their counsel. Each Party further agrees to refrain from making oral or written communications to any third party or entity that is intended to or can reasonably be expected to disparage or damage the reputation of the other Party.

12. Miscellaneous Provisions.

(a) Recitals and Headings. The recitals set forth above are incorporated into and made part of this Agreement and constitute facts essential hereto. Headings are provided for convenience of reference only.

(b) Assignments, Successors, and No Third Party Rights. The Parties each represent, warrant, and guarantee that they have not made, and will not make, any assignment of any claim, cause, or right of action or any right of any kind whatsoever embodied in any of the claims and obligations that are released herein, and that no other person or entity of any kind had or has any interest in any of the demands, obligations, actions, causes of action, debts, liabilities, rights, contracts, damages, attorneys' fees, costs, expenses, losses, or claims which are released herein. Except as otherwise provided in this Agreement, no right hereunder shall be assignable and any attempted assignment in violation of this provision shall be void.

(c) Amendment and Modification. This Settlement Agreement contains the entire agreement between the Parties with respect to the subject matter hereof, and it may not be amended, supplemented, or modified except by a writing signed by all of the executing Parties hereto. No addition, modification, amendment or waiver of any term of this Settlement Agreement or the incorporated License Agreement shall be binding or enforceable unless executed in writing by both Parties.

(d) Independent Contractors. Neither Party may make any representation or warranty or incur any liability or obligation on behalf of the other. Neither Party is the representative, partner, employee, or agent of the other. Each Party enters this Settlement Agreement and shall perform its obligations hereunder as an independent contractor.

(e) Export Control. Nothing in this Settlement Agreement shall be construed to permit or require any Party to take any action contrary to any export or import control laws or regulations.

(f) Severability. If any provision of this Settlement Agreement is held to be invalid or unenforceable by an arbitrator or a court of competent jurisdiction, such provision shall be severable from this Settlement Agreement and the remaining provisions of this Settlement Agreement shall remain in full force and effect and the unenforceable provision shall be reformed or construed so as to as nearly as possible give effect to the intent of the Parties entering into this Settlement Agreement.

(g) Jurisdiction/Resolution of Disputes.

i. This Settlement Agreement shall be construed, interpreted, and enforced (without regard to the principles relating to conflicts of laws) exclusively in accordance with the laws of the State of Delaware.

ii. Any disputes arising out of or in connection with this Settlement Agreement, including without limitation the interpretation hereof, the drafting of, and the performance of the Settlement Agreement or the License Agreement shall be finally resolved by expedited alternative dispute resolution by a single arbitrator under the rules of JAMS ADR, and to the extent possible by David Geronemus as arbitrator.

iii. Except as may be required by law, neither a Party nor an arbitrator may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of both Parties.

iv. In the event that any proceedings are instituted by one Party concerning a dispute arising out of, in connection with, or otherwise relating to this Agreement, including the License Agreement, and if the arbitrator concludes in the award that there has been a material and uncured breach or that the claim was advanced for purposes of harassment, the prevailing Party in such proceedings shall be entitled to seek reasonable attorneys' fees, costs, and expenses in addition to other relief awarded. Such award of attorneys' fees, costs of suit, and/or expenses, if any, shall be made solely in the discretion of the arbitrator.

(h) Counterparts. This Settlement Agreement and its Exhibit may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Signatures transmitted by email or by fax shall be as effective as signature pages containing original signatures.

13. **Notices.** All notices to be provided under this Settlement Agreement shall be made in writing and shall be deemed to have been given (a) when delivered personally to the recipient, (ii) five Business Days after being mailed to the recipient by registered or certified mail (return receipt requested and postage prepaid), (c) one Business Day after being sent to the recipient by reputable overnight service (such as Federal Express or Express Mail) (charges prepaid); or (d) upon successful transmission by facsimile or electronic mail, in each case to the receiving Parties and their respective counsel or representatives as set forth below.

If to iBio:

Kirkland & Ellis LLP
300 North LaSalle
Chicago, IL 60654
mark.premohopkins@kirkland.com
Attention: Mark Premo-Hopkins, P.C.

AND

iBio, Inc.
8800 HSC Parkway
Bryan, TX 77807
legal@ibioinc.com
Attention: CEO

If to FhUSA:

Fraunhofer USA, Inc.
44792 Helm Street
Plymouth, MI 48170
tschuelke@fraunhofer.org
bcalore@fraunhofer.org
Attention: Thomas Schuelke
William Calore

AND

Faegre Drinker Biddle & Reath LLP
One Logan Square, Suite 2000
Philadelphia, Pennsylvania 19103
paul.saint-antoine@faegredrinker.com
alicia.hickok@faegredrinker.com
Attention: Paul H. Saint-Antoine
D. Alicia Hickok

[*Signature Page Follows]*

NOW THEREFORE, intending to be legally bound, the Parties execute this Settlement Agreement as set forth below.

On behalf of IBIO, INC.

By: /s/ Thomas F. Isett
Name: Thomas F. Isett
Date: 2 May 2021

On behalf of FRAUNHOFER USA, INC.

By: /s/ Endrik Wilhelm, PhD
Name: Endrik Wilhelm, PhD
Date: May 4th, 2021

AND

By: /s/ Thomas Schuelke
Name: Thomas Schuelke, President
Date: May 3, 2021

Schedule A

File Name	Beginning Bates No.	End Bates No.
biosafety hood SOP BSC-400 REV0.docx	FCMB0103142	FCMB0103151
biosafety hood SOP BSC-600 REV 0.docx	FCMB0103157	FCMB0103167
EHS-SOP-285_Safe Wrk Prmit PrcedrfinalFeb2011.docx (Safe Work Permit Procedure)	FCMB0236702	FCMB0236710
EQ-SOP-123_Operation, Cleaning, and Maintenance of Biological Safety Cabinet (BSC-400 and BSC-600).pdf	FCMB0370513	FCMB0370523
FA-SOP-115 REV0.docx (USP Water System Startup and Shutdown)	FCMB0103096	FCMB0103100
FA-SOP-116 REV0.docx (Maintenance of USP Water System)	FCMB0103106	FCMB0103115
FA-SOP-117 REV0.docx (Cleaning and Sanitization of the USP Water System)	FCMB0103121	FCMB0103126
FA-SOP-157_Operation of Oil-Free Compressor and Dryer.pdf	FCMB0370524	FCMB0370527
FA-SOP-159_Operation of the Waste Inactivation System.pdf	FCMB0370528	FCMB0370536
FA-SOP-160_Operation and Maintenance of the Chilled Water Generation System.pdf	FCMB0370537	FCMB0370540
MF-SOP-125_Tray Assembly.pdf	FCMB0371694	FCMB0371700
MF-SOP-130_Operation of CIP Skid.pdf	FCMB0371701	FCMB0371706
MF-SOP-139_Set-up, Operation, and Maintenance of Mobius Disposable Mixing System.pdf	FCMB0371714	FCMB0371718
MF-SOP-145_Operation and Maintenance of Hoist (Thern 5110).pdf	FCMB0371719	FCMB0371728
MF-SOP-152_Operation and maintenance of the Genesys 10 Spectrophotometer.pdf	FCMB0371729	FCMB0371739
MF-SOP-153_Operation of the GE AKTA Process Chromatography System.pdf	FCMB0371740	FCMB0371750
MF-SOP-155_Operation and Cleaning of BPG Columns.pdf	FCMB0371751	FCMB0371756
MF-SOP-167_Routine Operation of Cold Room CR-400.pdf	FCMB0371770	FCMB0371775
MF-SOP-168_Operation and Cleaning of Fertilizer Injector.pdf	FCMB0371776	FCMB0371782
MF-SOP-173_Operation, Cleaning and Maintenance of pH Conductivity Meters.pdf	FCMB0371783	FCMB0371791
MF-SOP-182_Operation, Cleaning, and Maintenance of Ultra Low Freezers.pdf	FCMB0371792	FCMB0371802
MF-SOP-202_Operational Procedure of bioflo 510 fermentation system.pdf	FCMB0371803	FCMB0371813
MF-SOP-204_Cleaning of Chromatography Skid (AKTA Process).pdf	FCMB0371814	FCMB0371819
MF-SOP-207_Operation of Seeder.pdf	FCMB0371820	FCMB0371829
MF-SOP-213_Operation of Automated harvester.pdf	FCMB0371837	FCMB0371842
MF-SOP-273_Crop Discard Operation.pdf	FCMB0371860	FCMB0371865
MF-SOP-317_Operation of the GE AKTA Pilot Chromatography System.pdf	FCMB0371877	FCMB0371892
MF-SOP-325_Asymmetry and HETP Measurement of Packed Chromatography Columns.pdf	FCMB0371893	FCMB0371897

QA-SOP-107 Training Files_R00.pdf (Personnel Training and Documentation)	FCMB0103284	FCMB0103289
QA-SOP-107 Training Files_R01.pdf (Personnel Training and Documentation)	FCMB0103029	FCMB0103034
QA-SOP109_REV0.docx (Factory Acceptance Testing)	FCMB0103051	FCMB0103054
QA-SOP110_REV0 SAT.docx (Site Acceptance Testing)	FCMB0103060	FCMB0103063
QA-SOP-114_REV0.docx (Date Format)	FCMB0103087	FCMB0103088
QC-SOP-120 Quarantine procedure rev 0.docx	FCMB0103140	FCMB0103141
QC-SOP-286_Transfer and Storage of Microbial Cell Seed Stocks into and within the Manufacturing Suite.pdf	FCMB0371955	FCMB0371959

EXHIBIT A

TECHNOLOGY LICENSE AGREEMENT

This Technology License Agreement ("License Agreement") is made and entered into effective April 30, 2021 ("Effective Date") by and between iBio, Inc. ("iBio"), a Delaware corporation with a principal place of business at 8800 HSC Parkway, Bryan, TX 77807, and Fraunhofer USA, Inc. ("FhUSA"), a Rhode Island not-for-profit corporation with a principal place of business at 44792 Helm Street, Plymouth, MI 48170. iBio and FhUSA are referred to together as the "Parties" and each individually as a "Party" throughout this License Agreement.

RECITALS

WHEREAS, iBio owns certain technology relating to the expression, engineering, testing, production, and validation of proteins using plant-based systems, as more particularly set forth herein;

WHEREAS, FhUSA wishes to license certain technology from iBio, as more particularly set forth herein;

WHEREAS, iBio is willing to grant such a license to FhUSA, subject to the terms and conditions of this License Agreement; and

WHEREAS, on the date hereof the Parties are entering into a Confidential Settlement Agreement and Mutual Release (the "Settlement Agreement") of which this License Agreement is a part.

NOW, THEREFORE, in consideration of the mutual promises contained in this License Agreement, and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, iBio and FhUSA agree as follows.

SECTION 1: DEFINITIONS

"Non-Patented Proprietary IP" means the trade secrets and know-how proprietary to iBio that was developed up to and including December 31, 2014, as described in the Memorandum Opinion, dated July 29, 2016, in *iBio, Inc. v. Fraunhofer USA, Inc.*, No. 10256-VCF (Del. Ch.). For avoidance of confusion, a right is proprietary to iBio if it is not (a) in the public domain, (b) in use generally, or (c) proprietary to a third party or FhUSA.

"Patents" means (a) those patents and patent applications that FhUSA has assigned to iBio, as are set forth in Schedule 1, as well as (b) any patents and patent applications that claim priority (in whole, but not in part) to any of the patents and patent applications specified in Schedule 1, and (c) any divisionals, continuations, extensions, reissues, or reexaminations of any of them.

"Potential Sublicensee" means Fraunhofer Gesellschaft zur Foerderung der angewandten Forschung e.V. (referred to as Fraunhofer Gesellschaft) and, if it acquires a sublicense pursuant to Section 2.2, Fraunhofer Gesellschaft will be the "Sublicensee".

"Research Customer" means any (a) third party that contractually engages and pays to a contract research organization to perform research and (b) other participants in any research project applicable to clause (a) including without limitation (i) sponsoring agencies (federal, state, or local) or foundations or not-for-profit organizations, (ii) joint contractors or subcontractors of the foregoing, and (iii) third parties that are subcontracting to any of the foregoing, or that are serving as intermediaries, monitors, or administrators to a granting agency or institution. A Research Customer is considered to be FhUSA's Research Customer if FhUSA is to receive the payment contemplated by clause (a). A Research Customer is considered to be Sublicensee's Research Customer if a Sublicense Agreement has been entered into and Sublicensee is to receive the payment contemplated by clause (a).

"Sublicense Agreement" has the meaning set forth in Section 2.2.

SECTION 2: LICENSE AND ROYALTY

2.1 License. Subject to the terms and conditions of this License Agreement, iBio hereby grants to FhUSA a nonexclusive, nontransferable, worldwide, fully paid-up license, in all fields of use, to make, have made, use, sell, offer for sale, import, export, and otherwise exploit all intellectual property rights in and to the Patents and the Non-Patented Proprietary IP. Subject to the terms and conditions of this License Agreement, FhUSA may sublicense under this license grant to the Potential Sublicensee pursuant to Section 2.2. This license is otherwise nonsublicensable.

2.2 Sublicense. FhUSA may grant Fraunhofer Gesellschaft a sublicense of any or all of the rights licensed to FhUSA in Section 2.1. If FhUSA grants Fraunhofer Gesellschaft a sublicense, the sublicense must be in a written agreement signed by FhUSA and Fraunhofer Gesellschaft (the "Sublicense Agreement") that is delivered to iBio, and the Sublicense Agreement shall be effective upon such delivery. The Sublicense Agreement must specify that the Sublicensee is bound by all terms and conditions of this License Agreement (excluding any payments required by Section 2.5 herein and excluding the payment and other obligations of FhUSA in the Settlement Agreement); iBio must be identified in the Sublicense Agreement as an intended third-party beneficiary, with the right to enforce the Sublicense Agreement against Sublicensee; and thereafter each of iBio, FhUSA, and Sublicensee may utilize the provisions of Sections 6.9 and 6.10 of this License Agreement for claims or other disputes between or among any of them arising from this License Agreement or the Sublicense Agreement. Notwithstanding the foregoing, FhUSA and Fraunhofer Gesellschaft may in their sole discretion agree in the Sublicense Agreement that FhUSA, rather than the Sublicensee, would be responsible for paying iBio any amount required by Section 2.11 hereof arising from conduct of the Sublicensee (if a Sublicense Agreement has been entered into), and in such case iBio would look only to FhUSA and not to the Sublicensee for such payment. For the purpose of clarity, (x) nothing in this License Agreement obligates Fraunhofer Gesellschaft to take a sublicense, and unless and until Fraunhofer Gesellschaft executes an agreed-to Sublicense Agreement that is delivered to iBio, no

provisions of this License Agreement apply to Fraunhofer Gesellschaft or create any contractual relationship with or jurisdictional rights over Fraunhofer Gesellschaft; and (y) if Fraunhofer Gesellschaft enters into a Sublicense Agreement, such Sublicense Agreement shall not apply to or otherwise cover Fraunhofer Gesellschaft's actions or omissions prior to the effective date of such Sublicense Agreement (and by way of example, the Sublicense Agreement (if entered into) will not absolve Fraunhofer Gesellschaft of liability (if any) for actions or omissions prior to the effective date of such Sublicense Agreement); provided, for the sake of clarity, that nothing in this paragraph shall be construed to limit the effect of Paragraph 5 (General Mutual Release of Claims) in the Settlement Agreement, which speaks for itself.

2.3 Scope of License. Subject to the terms and conditions of this License Agreement, the scope of the license granted in Section 2.1, and of the Sublicense Agreement (if any) granted pursuant Section 2.2, shall permit FhUSA (and the Sublicensee, if a Sublicense Agreement has been entered into) to provide their Research Customers the deliverables customarily provided by contract research organizations to their Research Customers. Such deliverables include without limitation research reports and data; preliminary, interim, and final presentations and strategic discussions; and limited quantities of products or other materials; provided, however, that no deliverables shall include any authorization from FhUSA (or, if a Sublicense Agreement has been entered into, from the Sublicensee) for their Research Customers to use any of the Patents or Non-Patented Proprietary IP or to disclose any of the Non-Patented Proprietary IP (i) outside the scope set forth in the applicable research project, as such research project may be executed, amended, modified, or extended, or (ii) in a commercial product or to deliver a commercial service (other than a service to another Research Customer collaborating in furtherance of the same research project); in each case without a direct license or other past or present express authorization from iBio. For the avoidance of doubt, regardless of the scope of an applicable research project, FhUSA (and the Sublicensee, if a Sublicense Agreement has been entered into) shall in connection with all deliverables permitted hereunder comply with the obligations of Section 5.1 with respect to the confidentiality of Non-Patented Proprietary IP (and, for the purpose of clarity, the confidentiality provisions in any such research agreement will, with respect to the Non-Patented Proprietary IP, be at least as protective as Section 5.1).

2.4 Reservation of Rights. Except as expressly set forth herein, iBio grants no license or right or permission of any kind, expressly, by implication, or otherwise, under or in relation to the Patents, the Non-Patented Proprietary IP or any other intellectual property rights of iBio. All such rights are expressly reserved; provided, however, that nothing in this paragraph shall be construed to limit the Settlement Agreement, which speaks for itself.

2.5 Royalty. FhUSA shall pay iBio a one-time, fully paid-up royalty of one million eight hundred thousand dollars (US$1,800,000.00). This payment shall be made in two (2) installments by wire transfer to the account specified below. The first installment of nine hundred thousand dollars (US$900,000.00) shall be paid not later than March 1, 2022, and the second installment of nine hundred thousand dollars (US$900,000.00) shall be paid not later than March 1, 2023.

2.6 Savings Clause.

(i) The license granted hereunder shall not include any patent that has expired or that has been finally determined by a court or other tribunal of

competent jurisdiction no longer to be in force. The license granted hereunder shall not include any trade secret that ceases to qualify as a trade secret under applicable law; provided such cessation was not due to an act or omission of FhUSA occurring on or after February 28, 2021. The licenses granted hereunder shall not include any confidential information that ceases to qualify as confidential information under the agreement or other legal obligation that gave rise to its protected status; provided such cessation was not due to an act or omission of FhUSA occurring on or after February 28, 2021.

(ii) The royalty set forth in Section 2.5 has been established by the Parties for their convenience, taking into account the different intellectual property regimes and expiration dates/events governing different aspects of the licensed technology.

2.7 Previously Granted Rights. Nothing in this License Agreement shall operate to or be construed to diminish any rights previously granted by iBio to any third parties or to any rights that the United States government has.

2.8 Account Information. FhUSA shall make the royalty payment due to iBio under this License Agreement by wire transfer to the account(s) designated in writing by iBio.

2.9 Late Payment. Late payments shall bear simple interest at the rate of five percent (5%) over the Federal Reserve discount rate (or the highest rate permitted by law, whichever is lower).

2.10 Marking. FhUSA shall mark every article that is subject to one or more valid claims of the Patents in a manner that conforms with 35 U.S.C. § 287.

2.11 Covenant Not to Challenge. FhUSA, in further consideration of the license it receives under this License Agreement, covenants that it will not directly or indirectly challenge or assist in challenging, now or in a future proceeding, iBio's ownership or the validity or enforceability of any of the Patents; provided, however, that this restriction shall not to apply in the following situations:

(i) arguments or comments in the ordinary course of prosecution of FhUSA's or any of its affiliates' or their Research Customers' patents or patent applications, provided that such arguments and comments are directed at differentiating such patents or patent applications as patentably distinct from any of the Patents and not primarily directed at questioning or contesting the ownership or the validity or enforceability of any of the Patents;

(ii) any counterclaim or affirmative defense against a third party claim using one or more of the Patents to challenge the validity, enforceability, scope, or patentability of FhUSA's or any of its affiliates' or their Research Customers' patents or patent applications, provided that such counterclaim or defense is directed at differentiating such patents or patent applications as patentably distinct from any of the Patents and not primarily directed at questioning or contesting the ownership or the validity or enforceability of any of the Patents;

(iii) any counterclaim or affirmative defense against a claim by iBio (or any subsequent owner or licensee of any of the Patents, or any third party bringing a claim in the name of or on behalf any of the foregoing) against FhUSA, the Sublicensee, or any of their Research Customers with respect to any conduct or article that FhUSA believes in good faith is covered by this License Agreement; or

(iv) complying (by the provision of documents or testimony) with court orders, subpoenas, or official requests for information from a governmental authority.

Should the arbitrator, pursuant to the Alternative Dispute Resolution provisions in Section 6.9, determine that FhUSA initiated, participated in, or assisted in a challenge in violation of this Section 2.11, the royalty set in Section 2.5 shall be increased to [***] and the incremental amount shall become due within thirty days after the arbitrator's decision. This increase in the royalty is in addition to any and all remedies available to iBio in law and equity, subject to Section 6.9.

2.12 Costs of Performance. Except as expressly set forth in this License Agreement, the Parties shall bear their own attorneys' fees, costs, expenses, and taxes with respect to this License Agreement and their performance under it.

SECTION 3: REPRESENTATIONS & WARRANTIES

3.1 By iBio. iBio represents and warrants that it owns all right, title, and interest in the Patents free and clear of any liens (other than defects caused by FhUSA).

3.2 Mutual. The Parties each represent, warrant, and guarantee that such Party has the necessary power and authority to enter into this License Agreement and to carry out its obligations hereunder. Each individual who executes this License Agreement on behalf of a Party represents that he is fully authorized to execute the License Agreement on behalf of such Party and that he has secured approval of its Board of Directors to the extent required.

SECTION 4: TERM AND TERMINATION

4.1 Term. This License Agreement shall become effective on the Effective Date and, unless earlier terminated as set forth below, shall continue in force until (a) all Patents have expired or have been finally determined by a court or other tribunal of competent jurisdiction no longer to be in force; and (b) all trade secrets and proprietary information included in the Non-Patented Proprietary IP cease to qualify as such under applicable law. Neither the savings clause in Section 2.6 nor this Section 4.1 shall in any way operate to limit the remedies available to iBio if any Patent is invalid due to an act or omission of FhUSA occurring on or after February 28, 2021 or if any Non-Patented Proprietary IP ceases to be protectable due to an act or omission of FhUSA occurring on or after February 28, 2021.

4.2 Termination. Either Party may terminate this License Agreement in the event of an uncured material breach of this License Agreement by the other Party. The Party claiming breach must first send a breach notice in writing to the other Party specifying the particulars of the claimed breach in reasonable detail and providing sixty (60) days to cure. The allegedly

breaching Party may challenge the declaration of breach, breach notice, effectiveness of cure, and/or termination pursuant to the Alternative Dispute Resolution provisions in in Section 6.9. Invocation of the Alternative Dispute Resolution provisions will stay termination until the matter is resolved.

4.3 Survival. The following provisions of this License Agreement shall survive the termination or expiration of it: Sections 1, 2.4 to 2.10, 2.11 (but only if both (a) this License Agreement is terminated by iBio due to a material breach and (b) FhUSA has not paid the entire one million eight hundred thousand dollar (US$1,800,000.00) royalty set forth in Section 2.5), 2.12, and 4 to 6.

4.4 Settlement Agreement. For the purpose of clarity, termination of this License Agreement will not impact the finality or enforceability of the Settlement Agreement.

SECTION 5: CONFIDENTIALITY

5.1 Confidentiality. FhUSA shall protect the confidentiality of the Non-Patented Proprietary IP using procedures no less rigorous than those used to protect and preserve the confidentiality of its own confidential information of a similar sensitivity (but in no event less than a reasonable degree of care).

5.2 Failures. If FhUSA determines that it is more likely than not that there has been a failure to maintain the confidentiality of iBio Non-Patented Proprietary IP, FhUSA shall promptly notify iBio in writing and FhUSA shall provide reasonable cooperation at no cost to iBio in iBio's efforts to recover such Non-Patented Proprietary IP.

5.3 Compelled Disclosure. If FhUSA receives a subpoena, document demand, or other legal process that it believes will require the disclosure of any portion of the Non-Patented Proprietary IP, FhUSA shall promptly notify iBio in writing and provide reasonable cooperation (at iBio's expense) in iBio's efforts to secure confidential treatment of such Non-Patented Proprietary IP. Provided FhUSA does so, it shall not be a violation of Section 5.1 for FhUSA to disclose that portion of the Non-Patented Proprietary IP that it is legally required to disclose. For the avoidance of doubt, "at iBio's expense" refers to out-of-pocket expenses incurred by FhUSA and not to billing for FhUSA employee time.

SECTION 6: GENERAL

6.1 Notices. All notices to be provided under this License Agreement shall be made in writing and shall be deemed to have been given (a) when delivered personally to the recipient, (b) five business days after being mailed to the recipient by registered or certified mail (return receipt requested and postage prepaid), (c) one business day after being sent to the recipient by reputable overnight service (such as Federal Express or Express Mail) (charges prepaid); or (d) upon successful transmission by facsimile or electronic mail, in each case to the receiving Parties and their respective counsel or representatives as set forth below.

If to iBio:

Charles J. Morton, Jr., Esq.
Venable LLP
750 East Pratt Street
Baltimore, MD 21202

AND

iBio, Inc.
8800 HSC Parkway
Bryan, TX 77807
legal@ibioinc.com
Attention: Thomas Isett, CEO

If to FhUSA:

Fraunhofer USA, Inc.
44792 Helm Street
Plymouth, MI 48170
tschuelke@fraunhofer.org
bcalore@fraunhofer.org
Attention: Thomas Schuelke
William J. Calore

AND

Faegre Drinker Biddle & Reath LLP
One Logan Square, Suite 2000
Philadelphia, Pennsylvania 19103
paul.saint-antoine@faegredrinker.com
alicia.hickok@faegredrinker.com
Attention: Paul H. Saint-Antoine
D. Alicia Hickok

A Party may change its notice address by delivery of notice of the change pursuant to this Section.

6.2 Headings. The Section headings used in this License Agreement are for the convenience of the Parties and have no bearing on the interpretation of this License Agreement.

6.3 Independent Contractors. Neither Party may make any representation or warranty or incur any liability or obligation on behalf of the other. Neither Party is the representative, partner, employee, or agent of the other. Each Party enters this License Agreement and shall perform its obligations hereunder as an independent contractor.

6.4 Third Party Beneficiaries. There are no third-party beneficiaries under this License Agreement. For clarity, (a) FhUSA shall be entitled to plead this License Agreement in support of the affirmative defense of license; (b) Sublicensee shall be entitled to plead this License Agreement (if a Sublicense Agreement has been entered into) and/or the Sublicense Agreement (if entered into) in support of the affirmative defense of license; and (c) Research Customers of FhUSA and Sublicensee (if a Sublicense Agreement has been entered into) shall be entitled to plead this License Agreement and/or a Sublicense Agreement (if entered into) in support of the affirmative defense of license.

6.5 Export Control. Nothing in this License Agreement shall be construed to permit or require any Party to take any action contrary to any export or import control laws or regulations.

6.6 Severability. If any provision of this License Agreement is held to be invalid or unenforceable by an arbitrator or a court of competent jurisdiction, such provision shall be severable from this License Agreement and the remaining provisions of this License Agreement shall remain in full force and effect and the unenforceable provision shall be reformed or construed so as to as nearly as possible give effect to the intent of the Parties entering into this License Agreement. For the purpose of clarity, nothing in this Section 6.6 shall impact the finality or enforceability of the Settlement Agreement.

6.7 Further Assurances. Each Party shall do and perform, or cause to be done and performed, all such further acts and things, and shall execute and deliver all such other agreements, certificates, instruments and documents, as the other Party may reasonably request in order to carry out the intent and accomplish the purposes of this License Agreement and the consummation of the transaction contemplated hereby.

6.8 Assignment. This License Agreement may not be assigned by FhUSA without the prior written consent of iBio. This License Agreement and any of the Patents and the Non-Patented Proprietary IP may be freely assigned by iBio, but any assignment would be subject to this License Agreement, and if the assignment would impact any of FhUSA's rights or obligations under this License Agreement, written notice of such assignment must be provided to FhUSA at least 30 days in advance. Subject to the foregoing, this License Agreement shall be binding on the Parties and their successors and permitted assigns. Any purported assignment in violation of this Section shall be void ab initio.

6.9 Governing Law and Dispute Resolution.

i. This License Agreement shall be construed, interpreted, and enforced (without regard to the principles relating to conflicts of laws) exclusively in accordance with the laws of the State of Delaware.

ii. Any disputes arising out of or in connection with this License Agreement, including without limitation the interpretation hereof, the drafting of, and the performance of it shall be finally resolved by expedited alternative dispute resolution by a single arbitrator under the rules of JAMS ADR, and to the extent possible by David Geronemus as arbitrator.

iii. Except as may be required by law, neither a Party nor an arbitrator may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of both Parties.

iv. Notwithstanding Section 6.9(ii), either Party shall be entitled to seek injunctive relief from a court if warranted.

6.10 Attorneys' Fees and Costs. In the event that any proceedings are instituted by one Party concerning a dispute arising out of, in connection with, or otherwise relating to this License Agreement, and if the arbitrator concludes in the award that there has been a material and uncured breach or that the claim was advanced for purposes of harassment, the prevailing Party in such proceedings shall be entitled to seek reasonable attorneys' fees, costs, and expenses in addition to other relief awarded. Such award of attorneys' fees, costs of suit, and/or expenses, if any, shall be made solely in the discretion of the arbitrator.

6.11 Entire Agreement. This License Agreement, together with the Settlement Agreement, constitutes the entire agreement between the Parties relative to the subject matter hereof and supersedes any and all prior negotiations and agreements, written or oral, relating to such subject matter.

6.12. Review of License Agreement. Each Party recognizes that it has been represented by counsel during the negotiations of this License Agreement. Each Party further acknowledges and warrants that it has thoroughly reviewed this License Agreement with counsel and such other professionals as needed to assure itself that it can proceed in compliance with its terms. Each Party further represents that it has entered into the License Agreement knowingly and voluntarily.

6.13 Amendment and Modification. This License Agreement may not be amended, supplemented, or modified except by a writing signed by all of the executing Parties hereto. No addition, modification, amendment or waiver of any term of this License Agreement or the incorporated License Agreement shall be binding or enforceable unless executed in writing by both Parties.

6.14 Counterparts. This License Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Signatures transmitted by email or by fax shall be as effective as signature pages containing original signatures.

WHEREFORE, the Parties hereby acknowledge their agreement and consent to the terms and conditions set forth above through the respective signatures of their duly authorized officers as contained below:

iBIO, INC.

By: _____
Name: _____
Title: _____
Date: _____

FRAUNHOFER USA, INC.

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

SCHEDULE 1

iBio United States Patents and Applications
[***]

Exhibit 21.1

Subsidiaries of Registrant

iBioDefense Biologics LLC ("iBioDefense") is wholly-owned and incorporated in Delaware

iBio Peptide Therapeutics LLC ("iBio Peptide") is wholly-owned and incorporated in Delaware

iBio Manufacturing LLC ("iBio Manufacturing") is wholly-owned and incorporated in Delaware

IBIO DO BRASIL BIOFARMACÊUTICA LTDA ("iBio Brazil") is organized in Brazil (99% ownership interest)

iBio CDMO LLC ("iBio CDMO") is registered in Texas and was originally named iBio CMO LLC (99.99% ownership interest). Name was changed effective July 1, 2017.

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the Registration Statements on Form S-1 (File No. 333-233504 and File No. 333-224620), Form S-3 (File No. 333-171315, File No. 333-175420, File No. 333-200410, File No. 333-236735, and File No. 333-250973) and on Form S-8 (File No. 333-181729, File No. 333-229261, File No. 333-25027 and File No. 333-252028) of iBio, Inc. and Subsidiaries of our report, dated September 28, 2021, on our audits of the consolidated financial statements of iBio, Inc. and Subsidiaries as of June 30, 2021 and 2020 and for the years then ended, included in this Annual Report on Form 10-K of iBio, Inc. for the year ended June 30, 2021. We also consent to the reference to our firm under the caption "Experts" in the respective Form S-1 and Form S-3 filings indicated above.

/s/ CohnReznick LLP

Holmdel, New Jersey
September 28, 2021

Exhibit 31.1

CERTIFICATION PURSUANT TO
SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002

I, Thomas F. Isett 3rd, certify that:

1. I have reviewed this Annual Report on Form 10-K of iBio, Inc. for the fiscal year ended June 30, 2021;

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: September 28, 2021

By: /s/ Thomas F. Isett 3rd
Thomas F. Isett 3rd
Chairman and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION PURSUANT TO
SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002

I, Robert Lutz, certify that:

1. I have reviewed this Annual Report on Form 10-K of iBio, Inc. for the fiscal year ended June 30, 2021;

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: September 28, 2021

By: /s/ Robert Lutz
Robert Lutz
Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

Exhibit 32.1

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 Annual Report of iBio, Inc. (the Company) on Form 10-K for the fiscal year ended June 30, 2021 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Thomas F. Isett 3rd, Chairman and Chief 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.

September 28, 2021

/s/ Thomas F. Isett 3rd
Thomas F. Isett 3rd
Chairman and Chief Executive Officer
(Principal Executive Officer)

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 has been provided to iBio, Inc. and will be furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

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 Annual Report of iBio, Inc. (the Company) on Form 10-K for the fiscal year ended June 30, 2021 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Robert Lutz, Chief 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.

September 28, 2021

/s/ Robert Lutz
Robert Lutz
Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 has been provided to iBio, Inc. and will be furnished to the Securities and Exchange Commission or its staff upon request.