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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, 2022

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 $119,731,492 as of December 31, 2021, based upon the closing sale price on the NYSE American of $13.73 per share (post reverse split) reported for such date.

There were 9,006,583 post reverse split shares of the registrant's common stock issued and outstanding as of October 10, 2022

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," include 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, 2022, 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 using our proprietary Artificial Intelligence ("AI")-Driven Discovery Platform and FastPharming® Manufacturing System. We are focusing our technologies on the research and development of novel products at its Drug Discovery Center in California. We are currently using our *FastPharming* Manufacturing System ("*FastPharming*" or the "*FastPharming* System") and *Glycaneering*SM Technologies to develop our portfolio of proprietary biologic drug candidates. We also offer contract development and manufacturing services from its 130,000 square foot cGMP facility in Texas.

We operate in two segments: (i) **Biopharmaceuticals;** its large molecule discovery, development, and licensing activities, and (ii) **Bioprocessing**; its contract development and manufacturing services for recombinant proteins.

On September 19, 2022, we acquired substantially all of the assets of RubrYc Therapeutics, Inc. ("RubrYc") which included**:**

- **AI Drug Discovery Platform**: A patented system that uses artificial intelligence ("AI") to design 3D models of subdominant and conformational epitopes to facilitate the creation of antibody drug candidates against previously hard-to-target tumors.
- **Previously Licensed Candidates**: All rights, with no future milestone payments or royalty obligations, to IBIO-101, an IL-2 sparing anti-CD25 antibody for depletion of regulatory T cells, along with the jointly discovered monoclonal antibody ("Target 6") that was identified in Q2 FY2022 using the Discovery Engine.
- **New Therapeutic Candidates**: Three immuno-oncology candidates, plus a partnership-ready PD-1 agonist for serious autoimmune diseases such as systemic lupus erythematosus and multiple sclerosis.

We expect the addition of new therapeutic candidates and an AI-driven drug discovery platform for difficult to treat tumors to strengthen its Biopharmaceutical discovery and development capabilities. Meanwhile, IBIO-101 remains our lead immuno-oncology asset.

For our Bioprocessing area, the *FastPharming* System is our proprietary approach to recombinant protein production using plants. It uses hydroponically grown *Nicotiana benthamiana (*a relative of the tobacco plant), novel expression vectors, and transient transfection at scale to produce complex proteins emerging from our own development pipeline or for our clients.

In an effort to focus our resources on the promising new AI discovery platform and entering the clinic with our lead compounds, we have initiated a review of potential options to accelerate our transformation into a platform drug discovery and development company while extending our cash runway. These include a review of the pipeline, asset sales or licenses, partnerships, portfolio decisions, cost reductions, and efforts to raise additional capital, including non-dilutive additions of capital.

BIOPHARMACEUTICALS:

AI Drug Discovery Platform

In September 2022, iBio purchased substantially all of the assets of RubrYc (for a complete description of the transaction please see Footnote 26—Subsequent Events). The AI Drug Discovery platform technology is designed to be used to discover antibodies that bind to hard-to-target subdominant and conformational epitopes for further development within our existing portfolio or in partnership with outside entities. The RubrYc AI platform is built upon 3 key technologies.

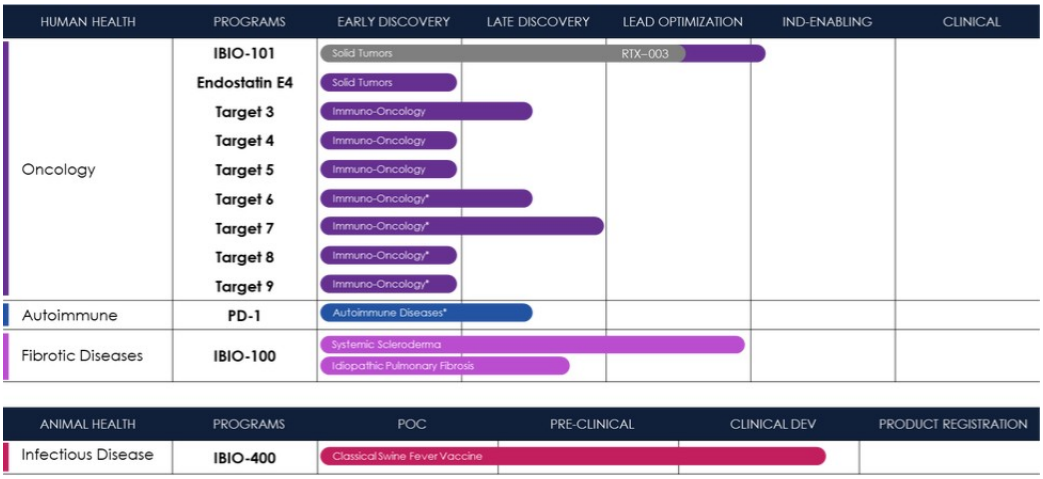
1. **Epitope Targeting Engine:** A proprietary machine-learning platform that combines computational biology and 3D-modeling to identify molecules that mimic hard-to-target binding sites on target proteins, specifically, subdominant and conformational epitopes. The creation of these small mimics enables the engineering of

therapeutic antibody candidates that can selectively bind immune and cancer cells better than ”trial and error” antibody engineering and screening methods that are traditionally focused on dominant epitopes.

2. ***RubrYcHu*™ Library:** An AI-generated human antibody library free of significant sequence liabilities that provides a unique pool of antibodies to screen. The combination of the Epitope Targeting Engine and screening with the *RubrYcHu* Library has been shown to reduce the discovery time from Ideation to *in vivo* Proof-of-Concept [PoC] by up to 4 months. This has the potential to enable more, and better, therapeutic candidates to reach the clinic, faster.

3. ***StableHu*™ Library:** An AI-powered sequence optimization library used to improve antibody performance. Once an antibody has been advanced to the Lead Optimization stage, *StableHu* allows precise and rapid optimization of the antibody binding regions to rapidly move a candidate molecule into the IND-enabling stage.

Therapeutics



Immuno-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 Company has established its own AI drug discovery and drug development capabilities in San Diego, California, has built a pipeline of nine immuno-oncology programs.

IBIO-101

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

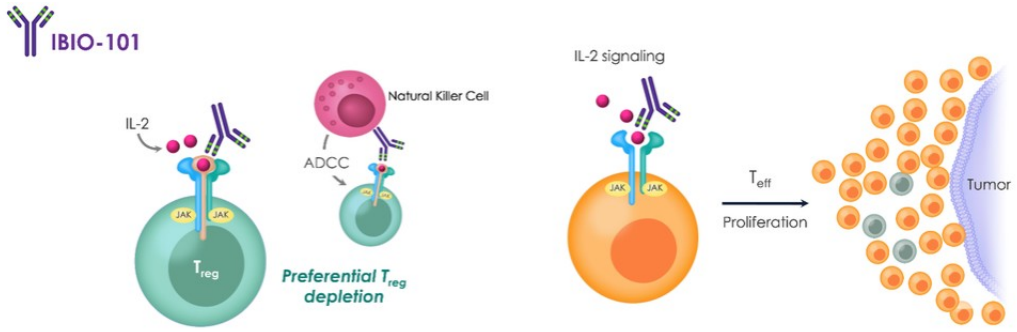
Targeting depletion of Treg cells to control tumors emerged as an area of interest in oncology over the past several years. Since Treg cells express interleukin-2 Rα (“IL-2Rα” or “CD25”), it was envisioned that mAbs could be developed that bind CD25 and thereby trigger depletion by Natural Killer cells,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

IBIO-101 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. IBIO-101 was initially developed using traditional mammalian cell expression systems, and preclinical studies have demonstrated that fucosylated and afucosylated IBIO-101 produced using a mammalian expression or the *FastPharming* System and *Glycaneering* Technology have comparable performance offering 2 potential alternative manufacturing paths.

We continue to advance its IL-2 sparing anti-CD25 antibody, IBIO-101, and anticipate moving the program from IND-enabling stage to an IND filing during the calendar year 2024.

IBIO-101 stimulates anti-tumor immunity by depleting immunosuppressive Treg cells via engagement with Natural Killer [NK] Cells



Discovery Immuno-Oncology

With iBio's existing portfolio and with the acquisition of all of RubrYc's pipeline assets, iBio has eight assets in the discovery phase for immuno-oncology including three immuno-oncology products in the late discovery stage and five products in the early discovery stage. Two of the late discovery programs have advanced from early to late discovery in June 2022 after extensive screening and in vitro testing.

All three immune-oncology programs purchased from RubrYc specifically have been selected to be differentiated by or benefit from the different RubrYc technology platforms.

We expect the immuno-oncology pipeline to continue to evolve as we evaluate the combined portfolio, move targets through preclinical stages and add targets via the AI Discovery Platform.

Autoimmune

PD-1

iBio has purchased the global rights to a partnership-ready PD-1 agonistic mAb intended to treat serious autoimmune disorders. While the goal in immuno-oncology is to remove immune tolerance towards cancer cells, in autoimmune diseases the opposite is the case, because autoimmune diseases can result from deficits in peripheral and/or central tolerance mechanisms which presents an opportunity for therapeutic intervention. Specifically, agonism or stimulation of inhibitory receptors like PD-1 or CTLA4, which mediate peripheral tolerance is a promising approach to treat autoimmune diseases. Unlike PD-1 antagonists used in immuno-oncology, PD-1 agonists are difficult to find. RubrYc used its AI Discovery Platform to discover PD-1. PD-1 is currently in the late-discovery stage, having undergone extensive screening and *in vitro* characterization, and we anticipate it will be advanced into *in vivo* models as IBIO-102, in the near future.

Fibrosis

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']).

IBIO-100

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

As part of the Company's review of potential options, we intend to continue to review the data from our research and development efforts and with continued consultation with Dr. Fedhali-Bostwick, determine how to proceed with the development of IBIO-100 in Fibrosis.

To align with the Company's focus on the immuno-oncology pipeline, we intend to continue to pursue the E4 endostatin peptide, from which IBIO-100 is derived, as an oncology target in collaboration with University of Texas Southwestern.

Infectious Diseases

COVID

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.

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.

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. As a result, in September 2021, iBio submitted a pre-IND package for IBIO-202 with the intent to move its novel vaccine candidate into the clinic. Following review of its pre- investigational new drug ("IND") submission to the U.S. Food and Drug Administration ("FDA") in January 2022, the Company conducted an IND-enabling challenge study with IBIO-202. At all 5 selected dose levels IBIO-202 provided no protective effect. This was true for all of the assessed endpoints which included bodyweight, viral load and histopathological evaluation.

Based on the data derived from the IND-enabling challenge study, iBio has decided not to move forward with the IND submission in 2023 and will further evaluate next steps with IBIO-202 as part of it the overall evaluation of its pipeline assets.

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[1].

[1] 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]

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.

We submitted updated efficacy protocols, manufacturing processes, and validation plans to the United States Department of Agriculture ("USDA") in February 2022 to enable manufacturing clearance of pre-license lots for study material to licensure. During the USDA's regulatory review period to evaluate our facility for the production of IBIO-400, we intend to continue to assess the data from our research and development efforts and determine how we will proceed with the development of IBIO-400, as part of our overall evaluation of our pipeline assets.

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. Gross revenue for 2022 and 2021 was approximately $2.4 million and $2.4 million respectively, an increase of 1%. 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.

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.

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 is carried out in iBio's 130,000 square foot facility in Bryan, Texas. The process begins with planting seeds into an inert matrix for hydroponic cultivation and growth of iBio's plants indoors under carefully controlled conditions. While the plants grow, *FastPharming* vectors carrying the genes encoding the desired protein product and plant viral proteins that result in amplification of construct within the plant are developed and produced in a bacterial host (*Agrobacterium tumefaciens*). Subsequently, the bacterial host is introduced into the leaves of intact plants via an automated vacuum infiltration process. After infiltration, the plants continue growing for about another week, as the target protein accumulates in plant leaves. Leaves are then harvested, homogenized in an extraction buffer and the target protein 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 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. These advantages 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[2]. In iBio's 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.

Several agreements with RubrYc Therapeutics, Inc.

On August 23, 2021, we entered into a series of agreements with RubrYc Therapeutics, 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. 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.

Collaboration, Option and License Agreement: We entered into a collaboration agreement (the "Collaboration Agreement") with RubrYc to collaborate for up to five years to discover and develop novel antibody therapeutics using RubrYc's artificial intelligence discovery platform. 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").

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 we hold 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

[2] 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

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.

Purchase Agreement: On September 16, 2022, we entered into an asset purchase agreement (the "Purchase Agreement") with RubrYc in order to acquire substantially all of its assets, including the AI Drug Discovery Platform, RTX-003, all Selected Compounds, three additional immune-oncology candidates, a PD-1 agonist, in addition to lab and technology equipment. On September 19, 2022, in connection with the closing of the acquisition, the Company entered into a termination agreement (the "Termination Agreement") with RubrYc in order terminate the RTX-003 License Agreement and the Collaboration Agreement, which terminated any and all future milestone payments or royalty obligations we had under those agreements. Under the terms of the Purchase Agreement, upon closing of the acquisition, we made an upfront payment of approximately $1,000,000 by issuing 102,354 post reverse split shares of our Common Stock to RubrYc. RubrYc is also eligible to receive up to $5,000,000 in development milestone over the next five years, which can be paid in shares of our Common Stock or cash, at our sole discretion.

License with University of Pittsburgh ("Univ. of Pitt")

On January 14, 2014 (the "Effective Date"), we entered into an exclusive worldwide License Agreement with Univ. of Pitt, which was amended on August 11, 2016, December 2, 2020 and February 8, 2022 (the "Exclusive License Agreement") covering all of the U.S. and foreign patents and patent applications and related intellectual property owned by Univ. of Pitt 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 Univ. of Pitt's patent prosecution costs that were incurred prior to, totaling $30,627, and subsequent to the Effective Date. On each anniversary date through the fourth anniversary we are to pay license fees ranging from $25,000 and $100,000, and upon the execution of the amendment in February, 2022, $10,000 starting on the eighth anniversary and 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 Univ. of Pitt. Under the terms of the Exclusive License Agreement, Univ. of Pitt is also eligible to receive from us up to an aggregate of $1,900,000 in clinical development and regulatory milestone payments. Univ. of Pitt 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 Univ. of Pitt. 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, upon the execution of the amendment in February, 2022, the specific milestone completion deadlines within the Exclusive License Agreement were extended, including filing an investigational new drug application by December 31, 2023, enrollment of first patient in a Phase 1 clinical trial by June 30, 2024, enrollment of first patient in a Phase 2 clinical trial by September 25, 2025,

enrollment of first patient in a Phase 3 clinical trial by September 30, 2028 and filing of a Biologics License Application or foreign equivalent by March 31, 2032. We are also required to meet certain diligence milestones.

If we breach the Exclusive License Agreement and do not cure such breach within 30 days of receipt of notice, the Univ. of Pitt may terminate the Exclusive License Agreement in its entirety. Univ. of Pitt 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 Purchase from Eastern Capital Limited

On November 1, 2021, we purchased the manufacturing facility (the "Facility") previously operated under a lease from two affiliates of Eastern Capital Limited (the "Eastern Affiliates"). We also acquired the approximate 30% equity interest (after conversion) in iBio CDMO held by the Eastern Affiliates, who became the lessee under the ground lease for the property upon which the Facility is located and terminated the Sublease iBio had entered into with the Eastern Affiliates. As a result, the subsidiary and its intellectual property are now wholly owned by iBio. The total purchase price for the Facility, the termination of the Sublease and other agreements among the parties, and the equity described below is $28,750,000, which was paid $28,000,000 in cash and by the issuance to Bryan Capital Investors LLC, an affiliate of the Eastern Affiliates a five-year warrant to purchase 51,583 post reverse split shares of our common stock at a post reverse split exercise price of $33.25 per share.

In connection with the purchase of the Facility, iBio entered into a Credit Agreement, dated November 1, 2021 (the "Credit Agreement"), with Woodforest National Bank ("Woodforest") pursuant to which Woodforest provided iBio CDMO a $22,375,000 secured term loan (the "Term Loan") to purchase the Facility, which Term Loan is evidenced by a Term Note (the "Term Note"). The Term Loan was advanced in full on the closing date. The Term Loan bears interest at a rate of 3.25%, with higher interest rates upon an event of default, which interest is payable monthly beginning November 5, 2021. Principal on the Term Loan is payable on November 1, 2023, subject to early termination upon events of default. The Term Loan provides that it may be prepaid by iBio CDMO at any time and provides for mandatory prepayment upon certain circumstances. The Term Loan is secured by a lien on all of the assets of iBio CDMO and we guaranteed payments of the obligations owed under the Term Loan.

The Credit Agreement contains customary events of default (which are in some cases subject to certain exceptions, thresholds, notice requirements and grace periods), including, but not limited to, nonpayment of principal or interest, failure to perform or observe covenants, breaches of representations and warranties, cross-defaults with certain other indebtedness, certain bankruptcy-related events or proceedings, final monetary judgments or orders and certain change of control events. The Credit Agreement also contain negative covenants which included a prohibition on the incurrence of Debt (as defined in the Credit Agreement) except Permitted Debt (as defined in the Credit Agreement) and Liens (as defined in the Credit Agreement), and termination of the Ground Lease Agreement and affirmative covenants that originally included delivery of audited financial statements within 120 days of the year end without a "going concern" or like qualification. In addition, the Credit Agreement originally provided that the Company must maintain unrestricted cash of no less than $10,000,000.

On October 11, 2022, we and Woodforest entered into the First Amendment to the Credit Agreement pursuant to which the Credit Agreement was amended to: (i) include a payment of $5,500,000 of the outstanding principal balance owed under the Credit Agreement on the date of the amendment, (ii) include a payment of $5,100,000 of the outstanding principal balance owed under the Credit Agreement within two (2) business days upon our receipt of such amount owed to us by Fraunhofer as part of our legal settlement with them (see Item 3 – Legal Proceedings for more information), (iii) include principal payments of $250,000 per month in debt amortization for a 6 month period commencing the date of the amendment through March 2023, (iv) include an amendment fee of $22,375 and all costs and expenses, (v) require delivery

of a report detailing cash flow expenditures every two (2) weeks for the period prior to the delivery of the last report and a monthly 12-month forecast (vi) reduce the liquidity covenant in the Guaranty (as defined in the Credit Agreement) from $10 million to $7.5 million with the ability to lower the liquidity covenant to $5.0 million upon the occurrence of a specific milestone in the Credit Agreement, and (vii) change the annual filing requirement solely for the fiscal year ending June 30, 2022, such that the filing is acceptable with or without a "going concern" designation. In addition, Woodforest cancelled the irrevocable letter of credit issued by JPMorgan Chase Bank upon closing of the amendment.

The Facility is a life sciences building located on land owned by the Board of Regents of the Texas A&M University System ("Texas A&M") and is designed and equipped for the manufacture of plant-made biopharmaceuticals. As part of the transaction, iBio CDMO became the tenant under the Ground Lease Agreement for the Property until 2060 upon exercise of available extensions. The base rent payable under the Ground Lease Agreement, which was $151,450 for the prior year, is 6.5% of the Fair Market Value (as defined in the Ground Lease Agreement) of the Property. The Ground Lease Agreement includes various covenants, indemnities, defaults, termination rights, and other provisions customary for lease transactions of this nature.

Intellectual Property

We currently own or license 107 patents, of which 101 are owned and 6 are licensed. Of the 101 patents we own, 25 are U.S. and 76 are international. We recently acquired 30 U.S. and foreign applications from RubrYc for novel antibodies, scaffold technology, and a machine learning apparatus for engineering meso-scale peptides, including 1 allowed application. We now have 9 U.S., 3 Patent Cooperation Treaty, and 20 international applications pending. International patents and applications include numerous foreign countries including Australia, Brazil, Canada, China, Hong Kong, India, Japan, 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. The 8 patents expiring in 2023 in the US and overseas are related to virus-induced gene silencing in plants.

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.

In addition to patents and patent applications that we own and license, we rely on trade secrets and know-how to develop and maintain our competitive position. However, trade secrets can be difficult to protect. We seek to protect our proprietary technology and processes, and obtain and maintain ownership of certain technologies, in part, through confidentiality agreements and invention assignment agreements with our employees, consultants, scientific advisors, contractors, and commercial partners.

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
- Scaffold technology
- Machine learning apparatus for engineering meso-scale peptides

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
- Novel Antibodies

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., Merck KGaA 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, Lumos Pharma, Agenus Inc., Aduro Biotech, Inc., Advaxis, Inc., ImmunoCellular Therapeutics, Ltd., IMV Inc., Oxford BioMedica plc, Bavarian Nordic A/S, Celldex Therapeutics, Inc., as well as tech enabled drug discovery companies such as Recursion, Abcellera Biologics, Inc., Cellarity, BenevolentAI, 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.

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 San Diego. iBio has leased lab and office space in San Diego for the purpose of conducting research.

Commercialization

We intend to develop and, if approved by the FDA, to commercialize our product candidates alone or in collaboration with others. We do not intend to further develop all of our product candidates, such as IBIO-202, unless we are able to receive grant funding or funding from a partner or collaborator. We may work in combination with one or more large pharmaceutical partners for certain indications, where specialist capabilities are needed. We may enter into distribution or licensing arrangements for commercialization rights for other regions outside the United States.

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 $0.3 million as of June 30, 2022.

Government Regulation and Product Approval

Government authorities in the United States at the federal, state and local level and in other countries extensively regulate, among other things, the research, development, testing, manufacture, quality control, approval, labeling, packaging, storage, record-keeping, promotion, advertising, distribution, post-approval monitoring and reporting, marketing and export and import of drug products. Generally, before a new drug can be marketed, considerable data demonstrating its quality, safety and efficacy must be obtained, organized into a format specific to each regulatory authority, submitted for review and approved by the regulatory authority.

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 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 we 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.

Accelerated Approval

There are a variety of pathways under which applicants may seek expedited approval from FDA, including fast track, breakthrough therapy, priority review and accelerated approval. The FDA accelerated approval program provides for early approval of drugs based on a drug on a clinical trial(s) showing that the drug meets a surrogate or an intermediate clinical endpoint rather than a clinical benefit endpoint. Accelerated approval is possible for drugs for serious conditions that fill an unmet medical need.

A surrogate endpoint used for accelerated approval is a marker, such as a laboratory measurement, that is thought to predict clinical benefit, but is not itself a measure of clinical benefit. Likewise, an intermediate clinical endpoint is a measure of a therapeutic effect that is considered reasonably likely to predict the clinical benefit of a drug, such as an effect on irreversible morbidity and mortality. Because it sometimes can take many years for a drug trial to show a clinical benefit, the use of a surrogate endpoint or an intermediate clinical endpoint can significantly shorten the time required to complete clinical trials and obtain FDA approval.

If a drug receives an accelerated approval, the company that sponsored the application must conduct a post-approval trial to confirm the anticipated clinical benefit. These trials are known as Phase 4 or post-approval confirmatory trials. If the confirmatory trial shows that the drug actually provides a clinical benefit, then the FDA grants traditional approval for the

drug. Failure to conduct required post-approval studies, or confirm a clinical benefit during post-marketing studies, will allow the FDA to withdraw the drug from the market on an expedited basis. All promotional materials for drug candidates approved under accelerated regulations are subject to prior review by the FDA. If the confirmatory trial does not show that the drug provides clinical benefit, FDA has regulatory procedures in place that could lead to removing the drug from the market.

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. Any reduction in reimbursement from Medicare and other government programs may result in a similar reduction in payments from private payors.

U.S. Patent-Term Extension

Depending upon the timing, duration and specifics of FDA approval of our current product candidates or any future product candidate, some of our U.S. patents may be eligible for limited patent term extension under the Drug Price Competition and Patent Term Restoration Act of 1984, commonly referred to as the Hatch Waxman Act. The Hatch Waxman Act permits extension of the patent term of up to five years as compensation for patent term lost during FDA regulatory review process. Patent term extension, however, cannot extend the remaining term of a patent beyond a total of 14 years from the product's approval date. The patent term extension period is generally one half the time between the effective date of an IND and the submission date of an NDA plus the time between the submission date of an NDA and the approval of that application, except that the review period is reduced by any time during which the applicant failed to exercise due diligence. Only one patent applicable to an approved drug is eligible for the extension (and only those patent claims covering the approved drug, a method for using it or a method for manufacturing it may be extended), and the application for the extension must be submitted prior to the expiration of the patent. A patent that covers multiple products for which approval is sought can only be extended in connection with one of the approvals. The USPTO, in consultation with the FDA, reviews and approves the application for any patent term extension. In the future, we may apply for extension of a patent term for our currently owned patents to add patent life beyond its current expiration date, depending on the expected length of the clinical trials and other factors involved in the filing of the relevant NDA. However, there can be no assurance that the USPTO will grant us any requested patent term extension, either for the length we request or at all.

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, 2022, we had 31 employees in iBio and 85 employees in iBio CDMO, 105 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 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.

Our principal executive offices are located at 8800 Health Science Center Parkway, Bryan, Texas and our telephone number is (979) 446-0027. Our website address is www.ibioinc.com. The information contained on, or accessible through, our website does not constitute part of this Annual Report on Form 10-K. We have included our website address in this Annual Report on Form 10-K solely as an inactive textual reference.

Reverse Stock Split

On June 30, 2022, the Company held a special meeting of its stockholders at which the stockholders approved a proposal to effect an amendment to the Company's certificate of incorporation, as amended, to implement a reverse stock split at a ratio of one-for-twenty five (1:25).

On September 22, 2022, the Company's Board of Directors approved the implementation of the reverse stock split at a ratio of one-for-twenty five (1 : 25) shares of the Company's common stock. As a result of the reverse stock split, every twenty five (25) shares of the Company's common stock either issued and outstanding or held by the Company in its treasury immediately prior to the effective time was, automatically and without any action on the part of the respective holders thereof, combined and converted into one (1) share of the Company's common stock. The reverse split also applied to common stock issuable upon the exercise of the Company's outstanding stock options. The reverse stock split did not affect the par value of the Company's common stock or the shares of common stock the Company is authorized to issue under its Certificate of Incorporation, as amended. No fractional shares were issued in connection with the reverse stock split. Stockholders who otherwise were entitled to receive a fractional share in connection with the reverse stock split instead were eligible to receive a cash payment, which was not material in the aggregate, instead of shares. The effective date of the reverse stock split was October 7, 2022. All share and per share amounts of common stock presented in this Annual Report on Form 10-K have been retroactively adjusted to reflect the one-for-twenty five reverse stock split.

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 our evaluation of strategic options to extend our cash runway
• We are evaluating a number of potential options to expand our cash runway.
• There can be no assurance that we will be successful in implementing any of the options that we are evaluating.
• Regardless of whether we are able to extend our current runway, we will need to raise additional capital in order to fully execute our longer-term business plan.
• If we don't successfully raise additional capital in order to fully execute our longer-term business plan, our board of directors could pursue other strategic alternatives including the sale or discontinuation of business segments or products.

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 a limited operating history developing vaccines and therapeutics.
• We are evaluating potential options for the Company that could impact our future operations and financial position.
• Substantial doubt exists related to our ability to operate as a going concern.
• 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.
• The actual amount of funds we will need to operate is subject to many risk factors.
• Raising additional capital may cause dilution to our existing stockholders and/or restrict our operations or rights.
• We currently have no products approved for commercial sale.
• We have a limited experience operating as a CDMO or biopharmaceutical.
• Potential use of government funding for R&D programs may impose conditions limiting our ability to take certain actions.

Risks Related to the Asset Acquisition of RubrYc
• The combined company may not experience the anticipated strategic benefits of the acquisition.
• We may be unable to successfully integrate the RubrYc business with our current management and structure.
• In order to develop RubrYc product or technology we will have to devote significant resources.
• Our stockholders will experience substantial dilution from the issuance of the acquisition consideration.

Risks Related to the Development and Commercialization of Our Technologies and Product Candidates
• Including the newly acquired assets we have fourteen product candidates, but they are all in pre-clinical development.
• We are reliant on successful product candidates that involve 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.
• 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.
• Failure to comply with our obligations in the agreements 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 to have an appropriately workforce could adversely impact the ability of the facility to operate.
• 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 R&D.
• With current and future potential acquisitions of companies, products or technologies, we may face integration risks and additional costs.
• 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.
• 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. For example, just recently in July 2022 after we experienced a rise in COVID-19 cases within our Texas facility, for approximately one week, we mandated only those involved in mission critical manufacturing activities were to be permitted within our Texas facility. 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. In addition, our research and development activities are conducted in one laboratory in San Diego, California, and any required shut down of the laboratory could result in delays in our early development programs. 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 a limited operating history 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. Our current focus is on immune-oncology therapeutics. 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 product candidates, 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.

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

We are currently evaluating a number of potential options to expand our cash runway, the implementation of which will impact the Company's liquidity. Potential options being considered to increase liquidity include lowering our burn rate by decreasing spending and focusing product development on a limited number of product candidates, sales or out-licensing

of certain product candidates or parts of the business, raising money from the capital markets, grant revenue or collaborations or a combination of the above. Our cash, cash equivalents and investments in debt securities of $39.5 million as of June 30, 2022, is not anticipated to be sufficient to support our operations for at least 12 months from the date of the filing of this Annual Report on Form 10-K unless we reduce our burn rate or increase our capital. Regardless of whether we are able to reduce our burn rate or sell or out-licensing of certain assets or parts of the business, we will need to raise additional capital in order to fully execute our longer-term business plan. It is our belief, in part based on input from expert advisors, that iBio will be able to implement one or more options that will allow us to extend our cash runway for at least 12 months from the date of the filing of this Annual Report on Form 10-K. However, there can be no assurance that we will be successful in implementing any of the options that we are evaluating.

There can be no assurance that the exploration of potential options will result in any agreements or transactions, or that, if completed, any agreements or transactions will be successful or on attractive terms. No timetable has been established for the completion of this process, and we do not expect to disclose developments unless and until we have a material update to provide or the Board of Directors has concluded that disclosure is appropriate or required. If we determine to change our business strategy or to seek to engage in a strategic transaction, our future business, prospects, financial position and operating results could be significantly different than those in historical periods or projected by our management. Because of the significant uncertainty regarding our future plans, we are not able to accurately predict the impact of a potential change in our business strategy and future funding requirements.

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

We have incurred net losses and used significant cash in operating activities since inception, and we expect to continue to generate operating losses for the foreseeable future. As of June 30, 2022, we have an accumulated deficit of $224 million.

We held cash, cash equivalents and investments in debt securities of $39.5 million as of June 30, 2022. Based on current trends and activities, there is significant doubt that we can continue as a going concern beyond Q3 of Fiscal 2023. We are currently evaluating a number of potential options to expand our cash runway, the implementation of which will impact our liquidity. Potential options being considered to increase liquidity include lowering our expenses through decreasing spending and focusing product development on a select number of product candidates, the sale or out-licensing of certain product candidates or parts of the business, raising money from capital markets, grant revenue or collaborations, or a combination thereof. Regardless of whether we are able to reduce our burn rate or sell or out-licensing certain assets or parts of the business, we will need to raise additional capital in order to fully execute our longer-term business plan. We believe based on input from expert advisors, that it is likely we will be able to implement one or more options that will extend our cash runway for 12 months or more from the date of the filing of this Annual Report on Form 10-K. However, there can be no assurance that we will be successful in implementing any of the options that we are evaluating.

Our consolidated audited financial statements as of and for the year ended June 30, 2022 have been prepared under the assumption that we will continue as a going concern for the next 12 months. Our management concluded that our recurring losses from operations and the fact that we have not generated significant revenue or positive cash flows from operations raise substantial doubt about our ability to continue as a going concern for the next 12 months after issuance of our financial statements. Our auditors also included an explanatory paragraph in its report on our financial statements as of and for the year ended June 30, 2022 with respect to this uncertainty. If we continue to experience operating losses, and we are not able to generate additional liquidity through a capital raise or other cash infusion, we might need to secure additional sources of funds, which may or may not be available to us. If we are unable to raise additional capital in sufficient amounts or on terms acceptable to us, we may have to further scale back or discontinue the development of our product candidates or other research and development initiatives or initiate steps to cease operations.

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 comprehensive net loss was approximately ($50.5) million and ($23.2) million for 2022 and 2021, respectively. As of June 30, 2022, we had an accumulated deficit of approximately ($224.0) 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 oncology, 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 future profitability and cash flow in large part depends on our research and development programs and our ability to successfully develop, partner or commercialize our product candidates and to a lesser extent, which is not anticipated for several years, our ability to generate revenue from our iBio CDMO services provided that we continue that business sector. Our cash position is expected to limit the number of product candidates that we seek to develop. This will require us, alone or with our licensees and collaborators, to be successful in a range of challenging activities, including completing preclinical testing and clinical trials of our product candidates, obtaining regulatory approval for these product candidates and manufacturing, marketing and selling those products for which regulatory approval is obtained or establishing collaborations with parties willing and able to provide necessary capital or other value. We may never succeed in these activities. We may never generate revenues that are significant or large enough to achieve profitability.

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 in light of the acquisition of the assets of RubrYc 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 IBIO-101 and the additional studies that will be required to support development of our immuno-oncology programs. 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 continued expansion of drug discovery capabilities in San Diego, California.

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 as we do not anticipate that any of our product candidates will generate revenue in the next few years, if at all. 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.

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.

The actual amount of funds we will need to operate is subject to many risk factors, some of which are beyond our control.

The actual amount of funds we will need to operate is subject to many factors, some of which are beyond our control. These factors include the following:

- the progress of our research activities;
- the number and scope of our research programs;
- the progress of our preclinical and clinical development activities;
- the progress of the development efforts of parties with whom we have entered into research and development agreements and amount of funding received from partners and collaborators;
- our ability to maintain current research and development licensing arrangements and to establish new research and development and licensing arrangements;
- our ability to achieve our milestones under licensing arrangements;

- the costs associated with manufacturing related services to produce materials for use in our clinical trials;
- the costs involved in prosecuting and enforcing patent claims and other intellectual property rights;
- the costs incurred to screen and enroll patients; and
- The costs and timing of regulatory approvals.

We have based our estimate on assumptions that may prove to be wrong. We may need to obtain additional funds sooner or in greater amounts than we currently anticipate. Potential sources of financing include strategic relationships, public or private sales of our shares or debt and other sources. Additionally, we may seek to access the public or private equity markets when conditions are favorable due to our long-term capital requirements. We do not have any committed sources of financing at this time, and it is uncertain whether additional funding will be available when we need it on terms that will be acceptable to us, or at all.

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. 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 currently have no products approved for commercial sale, have no significant source of revenue and may never generate significant revenue.

Due to our focus on cancer research and development our ability to generate revenue depends heavily on:

- our ability to raise additional capital on a timely basis to continue to fund our clinical trials;
- demonstration in current and future clinical trials that our product candidates are safe and effective;
- our ability to seek and obtain regulatory approvals, including with respect to the indications we are seeking;
- successful manufacture and commercialization of our product candidates; and
- market acceptance of our products.

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

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

There is no assurance that iBio CDMO or we will generate sufficient revenue or raise sufficient capital to be able to make the required principal payment under the Term Loan in the principal amount of $22,375,000 that iBio CDMO entered into with Woodforest. The Term Loan with Woodforest is secured by (a) a leasehold deed of trust on our sole manufacturing facility (the "Facility"), (b) a letter of credit issued by JPMorgan Chase Bank and (c) a first lien on all assets of iBio CDMO including the Facility. We have also guaranteed the payment of all iBio CDMO's obligations under the Credit Agreement. In addition, pursuant to the terms of the Credit Agreement, as amended, we are currently obligated to make a cash payment to Woodforest of (i) $5.1 million within two (2) Business Days (as defined in the Credit Agreement) upon our receipt of such amount owed to us by Fraunhofer as part of our legal settlement with them, (ii) $250,000 per month for a 6 month period commencing October 2022 through March 2023, and (iii) $22,375. In addition, pursuant to the terms of the Credit Agreement, as amended, we are currently obligated to maintain a restricted cash balance of $7.5 million (the "liquidity covenant'). If we fail to successfully extend our cash runway via strategic options or other alternatives as described we would be in violation of the liquidity covenant on December 31, 2022. If we or iBio CDMO fails to comply with the terms of the Term Loans and/or the related agreements, including the affirmative and negative covenants contained therein, Woodforest National Bank could declare a default and if the default were to remain uncured, Woodforest National Bank would have the right to proceed against any or all of the collateral securing their Term Loan. Our failure to make such payments when due could result in our loss of the Facility, upon which our manufacturing is based. The Credit Agreement with Woodforest National Bank originally included an affirmative covenant that required us to provide to Woodforest within 120 days of our fiscal year end, our financial statements, audited by independent certified public accountants without a "going concern" qualification. The financial statements for the year ended June 30, 2022 include a qualification that raises substantial doubt about our ability to continue as a going concern. As a result, without the amendment to the Credit Agreement, we would have been in violation of the covenant after the expiration of the cure period. Any action to proceed against our assets would likely have a serious disruptive effect on our business operations, especially if the Facility were foreclosed upon.

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

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

may require us to comply with more onerous covenants, which could further restrict our business operations. There can be no assurance that we will be able to obtain any financing when needed.

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

The Credit Agreement contains, and our future indebtedness agreements may contain covenants that restrict our ability to finance future operations or capital needs or to engage in other business activities. The Credit Agreement, as amended, currently requires maintaining $7,500,000 of unrestricted cash and cash equivalents (with the ability to lower the liquidity covenant to $5,000,000 upon the occurrence of a milestone detailed in the Credit Agreement, as amended) and restricts iBio CDMO's ability to:

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

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

In order to develop certain of our product candidates we will rely upon government funding. 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. If we do not obtain the grants we applied for or other grants, we currently do not anticipate developing certain of our product candidates. Even if we obtain grant funding, the terms of the grant funding may be restrictive. 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 Asset Acquisition of RubrYc

The company may not experience the anticipated strategic benefits of the Asset Acquisition.

While we anticipate certain benefits from our acquisition of the assets of RubrYc, we may not be able to realize the expected benefits. We may not be able to integrate the two businesses successfully, and we could assume unknown or contingent liabilities. The RubrYc intellectual property may not have the scientific value and commercial potential which we envision. Any failure of the acquisition to meet our expectations could have a material negative effect on our results of operations. There can be no assurance that the anticipated benefits of the acquisition will materialize or that if they materialize will result in increased stockholder value or revenue stream to the combined company.

We may be unable to successfully integrate the RubrYc assets with our current management and structure.

Our failure to successfully integrate the assets of RubrYc could have an adverse effect on our prospects, business activities, cash flow, financial condition, results of operations and stock price. Integration challenges may include the following:

- assimilating RubrYc's technology and retaining personnel, especially in light of the fact that RubrYc's business operations are terminating;
- estimating the capital, personnel and equipment required for RubrYc based on the historical experience of management with the businesses they are familiar with; and
- minimizing potential adverse effects on existing business relationships.

In order to develop RubrYc product or technology we will have to devote significant resources to RubrYc product or technology and will need to raise additional capital to fully develop the newly acquired product candidates.

Obtaining requisite regulatory approvals for the clinical trials of the product candidates we acquired from RubrYc product candidates are anticipated to require significant expenditures. We have incurred significant losses from operations to date and expect our expenses to increase in connection with our ongoing activities, and the addition of the product candidates we acquired from RubrYc. In order to fully develop the newly acquired product candidates we will need to raise additional capital. There can be no assurance that funding will be available on acceptable terms on a timely basis, or at all. The various ways that we could raise capital carry potential risks. Any additional sources of financing will likely involve the issuance of our equity securities, which will have a dilutive effect on our stockholders. If we raise funds through collaborations and licensing arrangements, we might be required to relinquish significant rights to our technologies or tests or grant licenses on terms that are not favorable to us.

Our stockholders will experience substantial dilution from the issuance of the acquisition consideration and may not realize a benefit from the Acquisition commensurate with the ownership dilution they will experience in connection with the Acquisition.

We have the option to pay the milestone consideration owed to the RubrYc shareholders in shares of our common stock. Our stockholders will experience substantial dilution from the issuance of shares of common stock to pay milestone consideration.

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

We currently have a limited number of 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 multiple product candidates as potential treatments across multiple therapeutic areas; however, we announced we are evaluating potential options to extend our cash runway and may change the focus of our resources. 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 our product candidates in the immune-oncology field. 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 multiple 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. As demonstrated by IBIO-202, which had success in early preclinical testing but did not have success in recent preclinical testing. 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 and/or collaborations. 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, Lumos Pharma, Agenus Inc., Aduro Biotech, Inc., Advaxis, Inc., ImmunoCellular Therapeutics, Ltd., IMV Inc., Oxford BioMedica plc, Bavarian Nordic A/S, Celldex Therapeutics, Inc., as well as tech enabled drug discovery companies such as Recursion, Abcellera Biologics, Inc., Cellarity, and BenevolentAI.

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 could choose 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 or any outsourced manufacturer of our products 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 or those of third-party manufacturers. 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 revenues or payments 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 payments including 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, which 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. We will continue to consider any potential revenue and client related concentration risks. 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 the products that third party manufacturers manufacture for us and our inability, or any third-party manufacturers 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 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) 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, 2023, enrollment of first patient in a Phase 1 clinical trial by June 30, 2024, enrollment of first patient in a Phase 2 clinical trial by September 25, 2025, enrollment of first patient in a Phase 3 clinical trial by September 30, 2028 and filing of a Biologics License Application or foreign equivalent by March 31, 2032. There can be no assurance that we will complete the necessary preclinical research in order to allow for us to file an IND by December 31, 2023. 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.

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

We currently rely on the continuous operation of our only manufacturing facility in Texas for the production of our products. We currently intend to 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.

Our Second Amended and Restated Bylaws provides that the Court of Chancery of the State of Delaware is the exclusive forum for certain disputes between us and our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees.

Our Second Amended and Restated Bylaws provides that the Court of Chancery of the State of Delaware shall be the sole and exclusive forum for any derivative action or proceeding brought on behalf of the Company, any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee of the Company to the Company or the Company's stockholders, any action asserting a claim arising pursuant to any provision of the Delaware General Corporation Law or any action asserting a claim governed by the internal affairs doctrine. The federal district courts of the United States of America shall, to the fullest extent permitted by law, be the sole and exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act of 1933, as amended and the forum selection provision does not apply to claims arising exclusively under the Exchange Act or the Investment Company Act, or any other claim for which the federal courts have exclusive jurisdiction.

This forum selection provision may limit a stockholder's ability to bring certain claims in a judicial forum that it finds favorable for disputes with us or any of our directors, officers, other employees or stockholders, which may discourage lawsuits with respect to such claims, although our stockholders will not be deemed to have waived our compliance with federal securities laws and the rules and regulations thereunder. If a court were to find this forum selection provision to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could adversely affect our business and financial condition.

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. 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 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.

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

Our operations and performance depend on global, regional and U.S. economic and geopolitical conditions. Russia's invasion and military attacks on Ukraine have triggered significant sanctions from U.S. and European leaders. These events are currently escalating and creating increasingly volatile global economic conditions. Resulting changes in U.S. trade policy could trigger retaliatory actions by Russia, its allies and other affected countries, including China, resulting in a "trade war." Furthermore, if the conflict between Russia and Ukraine continues for a long period of time, or if other countries, including the U.S., become further involved in the conflict, we could face significant adverse effects to our business and financial condition.

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

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

Our Reverse Stock Split May Not Be Successful.

At our Special Meeting of stockholders held on June 30, 2022, our stockholders approved a 1-for-25 reverse stock split of our common stock which was effective as of October 7, 2022. There are risks associated with the reverse stock split and there is no assurance that:

- The market price per share of the common stock after the reverse stock split will rise in proportion to the reduction in the number of shares of the common stock outstanding before the reverse stock split or if it does rise that it will sustain the increase in the share price;
- the reverse stock split will result in a per share price that will attract brokers and investors who do not trade in lower priced stocks;
- the reverse stock split will result in a per share price that will increase our ability to attract and retain employees and other service providers; and
- the liquidity of the common stock will increase.

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 January 3, 2022, the price of our common stock closed at $15.25 (post reverse split) per share while on September 9, 2022, our stock price closed at $7.00 (post reverse split) per share with no discernable announcements or developments by us or third parties. We may incur rapid and substantial decreases in our stock price in the foreseeable future that are unrelated to our operating performance or prospects. 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, 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 or annual revenues in excess of $100 million and 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; and

- scaled reporting and disclosure requirements including 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. 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.

Bioprocessing Facility

iBio's CDMO operations primarily take place in its wholly owned facility in Bryan, Texas. The facility is a 130,000-square foot Class A life sciences building located on land owned by the Texas A&M system which was designed and equipped for plant-made development and manufacture of biopharmaceuticals.

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

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

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

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

Biopharmaceutical R&D Facility

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 recently commenced in September 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 AI Drug Discovery Platform and our 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, 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 Fiscal 2021. During the quarter ended March 31, 2022, the Company received the first payment of $5,100,000.

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

As of June 30, 2022, the Company holds a settlement receivable balance of $5,100,000 related to the settlement and a trade receivable balance of $900,000 related to the license agreement.

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

On September 15, 2022, there were 53 active stockholders of record of our common stock, one of which was Cede & Co., a nominee for Depository Trust Company, or DTC. All of the shares of our common stock held by brokerage firms, banks and other financial institutions as nominees for beneficial owners are deposited into participant accounts at DTC and are therefore considered to be held of record by Cede & Co. as one 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.

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.

Reverse Stock Split

As discussed above, the Company completed a reverse stock split at a ratio of one-for-twenty five (1 : 25) shares of the Company's common stock. The effective date of the reverse stock split was October 7, 2022. All share and per share amounts of common stock presented have been retroactively adjusted to reflect the one-for-twenty five reverse stock split.

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

iBio, Inc. ("we", "us", "our", "iBio", "iBio, Inc" or the "Company") is a developer of next-generation biopharmaceuticals using our proprietary Artificial Intelligence ("AI")-Driven Discovery Platform and FastPharming® Manufacturing System. We are focusing our technologies on the research and development of novel products at its Drug Discovery Center in California. We are currently using our *FastPharming* Manufacturing System ("*FastPharming*" or the "*FastPharming*

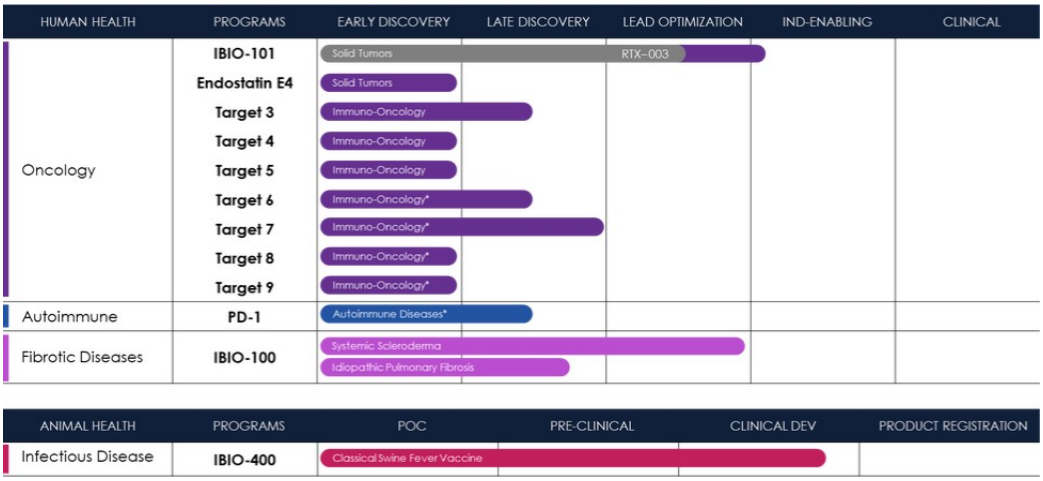
System") and *Glycaneering*SM Technologies to develop our portfolio of proprietary biologic drug candidates. We also offer contract development and manufacturing services from its 130,000 square foot cGMP facility in Texas.

We operate in two segments: (i) **Biopharmaceuticals;** its large molecule discovery, development, and licensing activities, and (ii) **Bioprocessing**; its contract development and manufacturing services for recombinant proteins.

On September 19, 2022, we acquired substantially all of the assets of RubrYc Therapeutics, Inc. ("RubrYc") which included**:**

- **AI Drug Discovery Platform**: A patented system that uses artificial intelligence ("AI") to design 3D models of subdominant and conformational epitopes to facilitate the creation of antibody drug candidates against previously hard-to-target tumors.
- **Previously Licensed Candidates**: All rights, with no future milestone payments or royalty obligations, to IBIO-101, an IL-2 sparing anti-CD25 antibody for depletion of regulatory T cells, along with the jointly discovered monoclonal antibody ("Target 6") that was identified in Q2 FY2022 using the Discovery Engine.
- **New Therapeutic Candidates**: Three immuno-oncology candidates, plus a partnership-ready PD-1 agonist for serious autoimmune diseases such as systemic lupus erythematosus and multiple sclerosis.

We expect the addition of new therapeutic candidates and an AI-driven drug discovery platform for difficult to treat tumors to strengthen its Biopharmaceutical discovery and development capabilities. Meanwhile, IBIO-101 remains our lead immuno-oncology asset.



For our Bioprocessing area, the *FastPharming* System is our proprietary approach to recombinant protein production using plants. It uses hydroponically grown *Nicotiana benthamiana (*a relative of the tobacco plant), novel expression vectors, and transient transfection at scale to produce complex proteins emerging from our own development pipeline or for our clients.

In an effort to focus our resources on the promising new AI discovery platform and entering the clinic with our lead compounds, we have initiated a review of potential options to accelerate our transformation into a platform drug discovery and development company while extending our cash runway. These include a review of the pipeline, asset sales or licenses,

partnerships, portfolio decisions, cost reductions, and efforts to raise additional capital, including non-dilutive additions of capital.

Results of Operations

Revenue

Gross revenue for 2022 and 2021 was approximately $2.4 million and $2.4 million, respectively, an increase of 1%. The increase is primarily attributable to the recognition of the Fraunhofer license fee of $1.8 million offset by a decrease in services revenue. which is based on 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 2022, we had a number of small customers with task and milestones completed. In 2021, we 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 has been terminated. Additionally in 2021, revenue earned from four other third-party customers totaled $1.5 million.

Significant year-over-year 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 revenue during the fiscal 2023 compared to fiscal 2022.

Research and Development Expenses

Research and development expenses for 2022 and 2021 were approximately $17.7 million and $10.0 million, respectively, an increase of $7.7 million or 77%. The increase primarily related to the ramp up of activities related to our internal pipeline including an increase in research and development personnel costs of approximately $2.7 million, an increase in consulting fees and outside services of $3.4 million, an increase in lab consumables of $0.2M, and other various expense increases. While iBio expects R&D will continue to grow in fiscal 2023, it anticipates a slower growth rate compared to fiscal 2022.

General and Administrative Expenses

General and administrative expenses for 2022 and 2021 were approximately $34.1 million and $22.0 million, respectively, an increase of $12.1 million or 55%. 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 $7.3 million, impairment of our equity investment in RubrYc of $1.8 million, facility expenses including repair and maintenance of $1.3 million, and various expense increases.

Other Income (Expense)

Other income (expense) for 2022 and 2021 was ($0.6) million and $7.9 million, a decrease of $8.5 million. The decrease is primarily attributable to the receipt of settlement Income of $10.2 million related to the Fraunhofer IP settlement in fiscal year 2021 offset by lower interest expense due to the purchase of the Bryan Site.

Net Loss Attributable to Noncontrolling Interest

This represents the share of the loss in iBio CDMO for the Eastern Affiliate in 2022 and 2021.

Liquidity and Capital Resources

We held cash, cash equivalents and investments in debt securities of $39.5 million as of June 30, 2022. Based on current trends and activities, there is significant doubt that we can continue as a going concern beyond Q3 of Fiscal 2023. We are currently evaluating a number of potential options to expand our cash runway, the implementation of which will impact

our liquidity. Potential options being considered to increase liquidity include lowering our expenses through decreasing spending and focusing product development on a select number of product candidates, the sale or out-licensing of certain product candidates or parts of the business, raising money from capital markets, grant revenue or collaborations, or a combination thereof. Regardless of whether we are able to reduce our burn rate or sell or out-licensing certain assets or parts of the business, we will need to raise additional capital in order to fully execute our longer-term business plan. We believe based on input from expert advisors, that it is likely we will be able to implement one or more options that will extend our cash runway for 12 months or more from the date of the filing of this Annual Report on Form 10-K. However, there can be no assurance that we will be successful in implementing any of the options that we are evaluating.

On October 11, 2022, we and Woodforest entered into the First Amendment to the Credit Agreement pursuant to which the Credit Agreement was amended to: (i) include a payment of $5,500,000 of the outstanding principal balance owed under the Credit Agreement on the date of the amendment, (ii) include a payment of $5,100,000 of the outstanding principal balance owed under the Credit Agreement within two (2) business days upon our receipt of such amount owed to us by Fraunhofer as part of our legal settlement with them (see Item 3 – Legal Proceedings for more information), (iii) include principal payments of $250,000 per month in debt amortization for a 6 month period commencing the date of the amendment through March 2023, (iv) include an amendment fee of $22,375 and all costs and expenses, (v) require delivery of a report detailing cash flow expenditures every two (2) weeks for the period prior to the delivery of the last report and a monthly 12-month forecast (vi) reduce the liquidity covenant in the Guaranty (as defined in the Credit Agreement) from $10 million to $7.5 million with the ability to lower the liquidity covenant to $5.0 million upon the occurrence of a specific milestone in the Credit Agreement, and (vii) change the annual filing requirement solely for the fiscal year ending June 30, 2022, such that the filing is acceptable with or without a "going concern" designation. In addition, Woodforest cancelled the irrevocable letter of credit issued by JPMorgan Chase Bank upon closing of the amendment. If we fail to successfully extend our cash runway via strategic options or other alternatives as described we would be in violation of the liquidity covenant on December 31, 2022.

Between July 25, 2022, and August 17, 2022, Cantor Fitzgerald sold as sales agent pursuant to the Controlled Equity OfferingSM Sales Agreement, dated as of November 25, 2020, that we entered into, 175,973 post reverse split shares of common stock. We received net proceeds of approximately $1.2 million (see Note 17 Stockholders' Equity for more detail).

On May 12, 2022, we entered into a securities purchase agreement with a certain accredited investor for the issuance and sale of 1,000 shares of Series 2022 Convertible Preferred Stock, $0.001 par value per share (the "Preferred Stock"), at a price of $0.27 per share. The Preferred Stock permitted the holder to vote at the Special Meeting, on the Reverse Stock Split proposal, with the holders of the common stock as a single class, with each share of Preferred Stock being entitled to 200,000 votes per share, provided that any votes cast by the Preferred Stock with respect to the Proposal must be voted in the same proportion as the aggregate shares of common stock are voted on the Proposal. Pursuant to the terms of the preferred stock, our Board of Directors converted the Preferred Stock to common stock at a conversion ratio of 1:1 on July 19, 2022.

On November 3, 2021, as part of consideration for the purchase of the Bryan site and other rights, iBio issued a warrant to purchase 51,583 post reverse split shares of the Common Stock at an exercise price of $33.25 post reverse split per share to affiliates of Eastern Capital Limited. The Warrant expires October 10, 2026, is exercisable immediately, provides for a cashless exercise at any time and automatic cashless exercise on the expiration date if on such date the exercise price of

the Warrant exceeds its fair market value as determined in accordance with the terms of the Warrant and adjustments in the case of stock dividends and stock splits.

Also, as part of the consideration for the purchase of the Bryan site and other rights, iBio entered into a $22,375,000 Senior Secured Term Loan with Woodforest National Bank. The loan bears interest at 3.25% and matures November 3, 2023.

As discussed above, the Company completed a reverse stock split at a ratio of one-for-twenty five (1 : 25) shares of the Company's common stock. The effective date of the reverse stock split was October 7, 2022. All share and per share amounts of common stock presented have been retroactively adjusted to reflect the one-for-twenty five reverse stock split.

Net Cash Used in Operating Activities

In Fiscal 2022, net cash used in operating activities was ($37.5) million, compared to net cash used in operating activities of ($30.1) million in Fiscal 2021. The increase in net cash used in operating activities was primarily driven by an increase of approximately $13.6 million for cash operating expenses to support our business strategy offset primarily by the positive impact in Fiscal 2022 of $6 million in cash received related to the Fraunhofer settlement and license agreements.

Net Cash Used in Investing Activities

In Fiscal 2022, net cash used in investing activities was ($5.1) million, which primarily consisted of investments in Purchase of RubrYc equity and Additions to Intangible Assets related to our license of IBIO-101 offset by the net redemption of debt securities. In Fiscal 2021, our 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.

Net Cash Provided by Financing Activities

In Fiscal 2022, net cash provided by financing activities was ($6.1) million, compared to net cash provided by financing activities of $78.8 million in Fiscal 2021. Net cash spent by financing activities in 2022 related to the purchase of the Bryan site while the net cash funds generated in 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, 2022, our accumulated deficit was approximately ($223.9) million, and we used approximately ($48.7) million of net cash in Fiscal 2022.

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 license agreement 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. Based on current trends and activities, there is significant doubt that iBio can continue as a going concern beyond Q3 of Fiscal 2023. If we fail to successfully extend our cash runway via strategic options or other alternatives as described we would be in violation of the liquidity covenant on December 31, 2022. 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, 2022, we were not involved in any SPE transactions.

Critical Accounting 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, 2022, 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, 2022. 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, 2022.

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, 2022, 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 was effective as of June 30, 2022.

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, 2022, 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 October 11, 2022, Mr. Glenn Chang provided notice of his retirement from the Board, which retirement will become effective immediately following the date of the Company's 2022 Annual Meeting of Shareholders. Mr. Chang's retirement from the Board was in accordance with the Company's Corporate Governance Guidelines in respect of a director's retirement age and not due to any disagreement with the Company on any matter relating to the Company's operations, policies or practices.

On October 11, 2022, the Company and Woodforest entered into the First Amendment to the Credit Agreement pursuant to which the Credit Agreement was amended to: (i) include a payment of $5,500,000 of the outstanding principal balance owed under the Credit Agreement on the date of the amendment, (ii) include a payment of $5,100,000 of the outstanding principal balance owed under the Credit Agreement within two (2) business days upon our receipt of such amount owed to us by Fraunhofer as part of our legal settlement with them (see Item 3 – Legal Proceedings for more information), (iii) include principal payments of $250,000 per month in debt amortization for a 6 month period commencing the date of the amendment through March 2023, (iv) include an amendment fee of $22,375 and all costs and expenses, (v) require delivery of a report detailing cash flow expenditures every two (2) weeks for the period prior to the delivery of the last report and a monthly 12-month forecast (vi) reduce the liquidity covenant in the Guaranty (as defined in the Credit Agreement) from $10 million to $7.5 million with the ability to lower the liquidity covenant to $5.0 million upon the occurrence of a specific milestone in the Credit Agreement, and (vii) change the annual filing requirement solely for the fiscal year ending June 30, 2022, such that the filing is acceptable with or without a "going concern" designation. In addition, Woodforest cancelled the irrevocable letter of credit issued by JPMorgan Chase Bank upon closing of the amendment.

The foregoing summary of the First Amendment to the Credit Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the First Amendment to the Credit Agreement that is filed as an exhibit to this Annual Report.

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 2022 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 2022 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 2022 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 2022 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 2022 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	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	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)
3.5	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)
3.6	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)
3.7	Certificate of Designation, Preferences and Rights of the Series C Convertible Preferred Stock of iBio, Inc. (incorporated herein by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on October 29, 2019 – Commission File No. 001-35023)

3.8	Second 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)
3.9	Certificate of Designation of Preferences, Rights and Limitations of Series 2022 Convertible Preferred Stock (incorporated herein by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on February 1, 2022 – 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	Description of Securities of iBio, Inc.(incorporated by reference to Exhibit 4.10 to the Annual report on Form 10-K for the year ended June 30, 2021- Commission File No. 000-53125)
4.3	Term Note of IBIO CDMO 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 November 4, 2021 – Commission File No. 001-35023)
4.4	iBio, Inc. Warrant (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 November 4, 2021 – Commission File No. 001-35023)
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†	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)
10.10†	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)
10.11†	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)
10.12†	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)
10.13†	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)
10.14†	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)
10.15†	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)
10.16†	Employment Agreement dated January 18, 2021, by and between iBio, Inc. and Martin B. Brenner (incorporated by reference to Exhibit 10.21 to the Annual report on Form 10-K for the year ended June 30, 2021- Commission File No. 000-53125)
10.17†	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.`8†	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)

10.19†	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)
10.20†	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)
10.21†	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)
10.22†	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)
10.23†	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)
10.24++	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)
10.25++	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)
10.26	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)

10.27++	Confidential Settlement and Mutual Release with Fraunhofer USA, Inc. dated May 4, 2021 (incorporated by reference to Exhibit 10.31 to the Annual report on Form 10-K for the year ended June 30, 2021- Commission File No. 000-53125)
10.28†	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)
10.29†	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)
10.34++**	Collaboration, Option and License Agreement, dated August 23, 2021, by and between iBio, Inc. and RubrYc Therapeutics, Inc. (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 August 27, 2021– Commission File No. 001-35023).

10.35++**	Collaboration and License Agreement, dated August 23, 2021, by and between iBio, Inc. and RubrYc Therapeutics, Inc. (incorporated herein by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on August 27, 2021– Commission File No. 001-35023).
10.36++**	Stock Purchase Agreement, dated August 23, 2021, by and between iBio, Inc. and RubrYc Therapeutics, Inc. (incorporated herein by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on August 27, 2021– Commission File No. 001-35023).
10.37++**	Second Amended and Restated Investor Rights Agreement, dated August 23, 2021, by and among RubrYc Therapeutics, Inc. and certain investors (incorporated herein by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on August 27, 2021– Commission File No. 001-35023).
10.38++**	Second Amended and Restated Voting Agreement, dated August 23, 2021, by and among RubrYc Therapeutics, Inc. and certain investors(incorporated herein by reference to Exhibit 10.5 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on August 27, 2021– Commission File No. 001-35023).
10.39++**	Second Amended and Restated Right of First Refusal and Co-Sale Agreement, dated August 23, 2021, by and among RubrYc Therapeutics, Inc. and certain investors(incorporated herein by reference to Exhibit 10.6 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on August 27, 2021– Commission File No. 001-35023).
10.40++	Third Amendment to Exclusive License Agreement between the Company and the University of Pittsburgh dated February 3, 2022 (incorporated herein by reference to Exhibit 10.1 to the Quarterly Report on Form 10-Q filed by the Company with the Securities and Exchange Commission on May 12, 2022 – Commission File No. 001-35023)Third
10.41	Form of Series 2022 Convertible Stock Purchase 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 May 12, 2022 – Commission File No. 001-35023).
10.42	Irrevocable Proxy For Voting control(incorporated herein by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on May 12, 2022 – Commission File No. 001-35023).
10.43	Purchase and Sale Agreement, dated November 1, 2021, by and among College Station Investors LLC, Bryan Capital Investors LLC, iBio CDMO LLC and iBio, Inc. (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 November 4, 2021 – Commission File No. 001-35023)

10.44	Equity Purchase Agreement dated November 1, 2021 by and between Bryan Capital Investors LLC and iBio, Inc. (incorporated herein by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on November 4, 2021 – Commission File No. 001-35023)
10.45	Credit Agreement, dated November 1, 2021 by and, between iBio CDMO LLC with Woodforest National Bank (incorporated herein by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on November 4, 2021 – Commission File No. 001-35023)
10.46	Guaranty Agreement, dated November 1, 2021, by iBio, Inc. for the benefit of Woodforest National Bank (incorporated herein by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on November 4, 2021 – Commission File No. 001-35023)
10.47	Leasehold Deed of Trust, Assignment of Leases and Rents, Security Agreement and UCC Financing Statement for Fixture Filing by iBio CDMO LLC as grantor to the trustee for the benefit of Woodforest National Bank (incorporated herein by reference to Exhibit 10.5 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on November 4, 2021 – Commission File No. 001-35023)
10.48	Security Agreement, dated November 1, 2021by iBio CDMO LLC for the benefit of Woodforest National Bank(incorporated herein by reference to Exhibit 10.6 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on November 4, 2021 – Commission File No. 001-35023)
10.49	Environmental Indemnity Agreement, dated November 1, 2021 by iBio CDMO LLC and iBio, Inc. in favor of Woodforest National Bank(incorporated herein by reference to Exhibit 10.7 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on November 4, 2021 – Commission File No. 001-35023)
10.50	Ground Lease Agreement (included as Exhibit A to The Purchase and Sale Agreement, dated November 1, 2021 by and among College Station Investors LLC, Bryan Capital Investors LLC, iBio CDMO LLC and iBio, Inc. filed as Exhibit 10.1 to the Current Report on Form 8-K filed with the Securities and Exchange Commission on November 4, 2021 – Commission File No. 001-35023)
10.51*++	First Amendment to Credit Agreement entered into as of October 11, 2022 by and between iBio CDMO LLC with Woodforest National Ban
99.1	Third Amended and Restated Certificate of Incorporation of RubrYc Therapeutics, Inc. (incorporated herein by reference to Exhibit 99.1 to the Company's Current Report on Form 8-K filed with the Securities and Exchange Commission on August 27, 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	Inline XBRL Instance Document*
101.SCH	Inline XBRL Taxonomy Extension Schema Document *
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document *
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document *
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document *
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document *

* 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. The Company agrees to furnish unredacted copies of these Exhibits to the SEC upon request.

* *Schedules have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company agrees to furnish supplementally to the SEC a copy of any omitted schedule upon request.

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: October 11, 2022

/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)	October 11, 2022
/s/ Robert Lutz Robert Lutz	Chief Financial Officer Officer (Principal Financial Officer and Principal Accounting Officer)	October 11, 2022
/s/Linda Armstrong Linda Armstrong	Director	October 11, 2022
/s/Alexandra Kropotova Alexandra Kropotova	Director	October 11, 2022
/s/William Clark William Clark	Director	October 11, 2022
/s/Eef Schimmelpennink Eef Schimmelpennink	Director	October 11, 2022
/s/Glenn Chang Glenn Chang	Director	October 11, 2022
/s/James T. Hill General James T. Hill, USA (Retired)	Director	October 11, 2022
/s/Gary Sender Gary Sender	Director	October 11, 2022

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, 2022 and 2021, 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, 2022 and 2021, 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.

Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the consolidated financial statements, the Company has suffered recurring losses from operations and negative cash flows from operating activities for the years ended June 30, 2022 and 2021 and has an accumulated deficit as of June 30, 2022. These matters, among others, raise substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 2. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these 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 Company'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 Matters

The critical audit matters 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.

Collaboration and License Agreement

Critical Audit Matter Description

As discussed in the notes to the consolidated financial statements, on August 23, 2021, the Company entered into a series of agreements with RubrYc Therapeutics, Inc. ("RubrYc"). The Company accounted for the agreements as an asset purchase and allocated the consideration to the various assets acquired.

The financial reporting for the terms of the Collaboration and License Agreement (the "Agreement") involved significant estimation by management in its determination of the fair value of the assets acquired and the related fair value allocation of the Agreement. Given these factors, the related audit effort in evaluating management's judgments of the fair value of the assets acquired and related fair value allocation related to the Agreement was challenging, subjective, and complex and required a high degree of auditor judgment.

How the Critical Audit Matter was addressed in the Audit

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

- We obtained an understanding of and evaluated the design and implementation of controls that address the risk of material misstatement for the financial reporting for asset acquisitions.
- We evaluated management's significant accounting policies related to asset acquisitions for reasonableness
- We evaluated the reasonableness of the assets acquired included within the Agreement.
- We verified the total consideration included among the terms of the Agreement.
- Regarding the Company's investment in preferred stock, we evaluated the significant assumptions in management's determination that the Company did not have "control" or "significant influence" in the investee.
- We involved our valuation specialists to assist in testing the Company's methodology and significant assumptions used to fair value the assets acquired.
- We utilized our valuation specialists who performed sensitivity analyses of the significant assumptions to evaluate the change in the fair value allocation of the assets acquired resulting from changes in the assumptions.
- We evaluated the Company's allocation of total consideration to the assets acquired.
- We evaluated the Company's relevant financial statement presentation and disclosures for consistency with our knowledge of the terms of the Agreement and with accounting standards.

Acquired License Impairment Assessment

As disclosed in notes to the consolidated financial statements, the Company acquired an indefinite-lived license of approximately $4.175 million. This asset is assessed for impairment at least annually and upon the occurrence of a triggering event. The impairment test for indefinite lived licenses consists of comparing the fair value, which is estimated using the income approach, to its carrying value. If the carrying value exceeds the fair value, an impairment loss is recognized in an amount equal to such excess. The determination of the fair value is primarily based on discounted future cash flows projected to be generated from the license, including the estimates of future revenue, future development costs, the probability of success in various phases of development programs, and potential post-launch cash flows. Changes in these assumptions could have a significant impact on either the fair value, the amount of any impairment charges, or both.

Significant judgment is exercised by management when developing the fair value measurement of the license. Given these factors, the related audit effort in evaluating management's judgments of the fair value of the acquired license was challenging, subjective, and complex and required a high degree of auditor judgment.

How the Critical Audit Matter was addressed in the Audit

Our principal audit procedures related to the Company's financial reporting relating to potential impairment of the license included, among others:

- We obtained an understanding and evaluated the design of internal controls over the Company's process for indefinite-lived intangible impairment assessments.
- We evaluated management's significant accounting policies related to impairment of the acquired license intangible for reasonableness.
- We tested management's process for developing the fair value of the license.
- Through the use of internal valuation specialists, we assessed the appropriateness and consistency of the discounted cash flow analyses model.
- We evaluated the significant assumptions related to future revenue, future development costs, and the probability of success in various phases of development programs as well as post launch cash flows.
- In evaluating management's significant assumptions for reasonableness we considered consistency with external market and industry data and evidence obtained in other areas of the audit.
- We assessed the sensitivity of changes in estimating the fair value in comparison to the carrying value for reasonableness.
- We evaluated the impact of the termination of the Agreement on future discounted cash flows in comparison to the carrying value.

/s/ CohnReznick LLP

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

Holmdel, New Jersey

October 11, 2022

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

	June 30, 2022	June 30, 2021
Assets		
Current assets:		
Cash and cash equivalents	$ 22,676	$ 77,404
Accounts receivable - trade	1,000	426
Settlement receivable - current portion	5,100	5,100
Investments in debt securities	10,845	19,570
Inventory	3,900	27
Prepaid expenses and other current assets	1,549	2,070
Total Current Assets	45,070	104,597
Restricted cash	5,996	—
Convertible promissory note receivable and accrued interest	1,631	1,556
Settlement receivable - noncurrent portion	—	5,100
Finance lease right-of-use assets, net of accumulated amortization	74	26,111
Operating lease right-of-use asset	5,020	—
Fixed assets, net of accumulated depreciation	36,661	8,628
Intangible assets, net of accumulated amortization	4,851	952
Prepaid expenses - noncurrent	74	—
Security deposits	29	24
Total Assets	$ 99,406	$ 146,968
Liabilities and Equity		
Current liabilities:		
Accounts payable	$ 4,264	$ 2,254
Accrued expenses (related party of $0 and $701 as of June 30, 2022 and 2021, respectively)	3,764	3,001
Finance lease obligations - current portion	46	367
Operating lease obligation - current portion	101	—
Note payable - PPP loan - current portion	—	600
Term note payable - net of deferred financing costs	22,161	—
Contract liabilities	100	423
Total Current Liabilities	30,436	6,645
Finance lease obligations - net of current portion	30	31,755
Operating lease obligation - net of current portion	5,455	—
Total Liabilities	35,921	38,400
Equity		
iBio, Inc. Stockholders' Equity:		
Series 2022 Convertible Preferred Stock – $.001 par value; 1,000,000 shares authorized; 1,000 and 0 shares issued and outstanding as of June 30, 2022 and 2021, respectively	—	—
Common stock - $0.001 par value; 275,000,000 shares authorized at June 30, 2022 and 2021; 8,727,158 and 8,714,924 shares issued and outstanding as of June 30, 2022 and 2021, respectively	9	9
Additional paid-in capital	287,619	282,266
Accumulated other comprehensive loss	(213)	(63)
Accumulated deficit	(223,930)	(173,627)
Total iBio, Inc. Stockholders' Equity	63,485	108,585
Noncontrolling interest	—	(17)
Total Equity	63,485	108,568
Total Liabilities and Equity	$ 99,406	$ 146,968

Share and per share data have been adjusted for all periods presented to reflect the one-for-twenty five reverse stock split effective October 7, 2022.

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,	
	2022	**2021**
Revenues	$ 2,383	$ 2,371
Cost of goods sold	216	1,462
Gross profit	2,167	909
Operating expenses:		
Research and development	17,729	9,989
General and administrative (related party of $250 and $1,587)	34,128	22,031
Total operating expenses	51,857	32,020
Operating loss	(49,690)	(31,111)
Other income (expense):		
Interest expense (related party of $810 and $2,446)	(1,412)	(2,454)
Interest income	178	140
Royalty income	7	12
Settlement income	—	10,200
Forgiveness of note payable and accrued interest - SBA loan	607	—
Other	6	—
Total other income (expense)	(614)	7,898
Consolidated net loss	(50,304)	(23,213)
Net loss attributable to noncontrolling interest	1	6
Net loss attributable to iBio, Inc.	(50,303)	(23,207)
Preferred stock dividends	(88)	(260)
Net loss attributable to iBio, Inc. stockholders	$ (50,391)	$ (23,467)
Comprehensive loss:		
Consolidated net loss	$ (50,304)	$ (23,213)
Other comprehensive loss - unrealized loss on debt securities	(150)	(29)
Other comprehensive loss - foreign currency translation adjustments	—	(1)
Comprehensive loss	$ (50,454)	$ (23,243)
Loss per common share attributable to iBio, Inc. stockholders - basic and diluted	$ (5.78)	$ (3.00)
Weighted-average common shares outstanding - basic and diluted	8,721	7,825

Share and per share data have been adjusted for all periods presented to reflect the one-for-twenty five reverse stock split effective October 7, 2022.

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, 2022 and 2021
(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, 2020	6	$ —	5,603	$ 6	$ 207,065	$ (33)	$ (150,420)	$ (11)	$ 56,607
Capital raises	—	—	1,953	2	78,274	—	—	—	78,276
Costs to raise capital and warrant exchange	—	—	—	—	(4,713)	—	—	—	(4,713)
Exercise of stock options	—	—	2	—	54	—	—	—	54
Vesting of RSUs	—	—	—	—	1	—	—	—	1
Conversion of preferred stock to common stock	(6)	—	1,157	1	(1)	—	—	—	—
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	—	$ —	8,715	$ 9	$ 282,266	$ (63)	$ (173,627)	$ (17)	$108,568
Sale of preferred stock	1	—	—	—	—	—	—	—	—
Vesting of RSUs	—	—	9	—	—	—	—	—	—
Warrant issued for Transaction	—	—	—	—	967	—	—	—	967
Acquisition of remaining portion of iBio CDMO	—	—	—	—	(68)	—	—	18	(50)
Exercise of stock options	—	—	3	—	77	—	—	—	77
Share-based compensation	—	—	—	—	4,377	—	—	—	4,377
Unrealized loss on available-for-sale debt securities	—	—	—	—	—	(150)	—	—	(150)
Net loss	—	—	—	—	—	—	(50,303)	(1)	(50,304)
Balance as of June 30, 2022	1	$ —	8,727	$ 9	$ 287,619	$ (213)	$ (223,930)	$ —	$ 63,485

Share and per share data have been adjusted for all periods presented to reflect the one-for-twenty five reverse stock split effective October 7, 2022.

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,	
	2022	**2021**
Cash flows from operating activities:		
Consolidated net loss	$ (50,304)	$ (23,213)
Adjustments to reconcile consolidated net loss to net cash used in operating activities:		
Share-based compensation	4,377	1,586
Amortization of intangible assets	401	291
Amortization of finance lease right-of-use assets	599	1,651
Amortization of operating lease right-of-use assets	516	—
Depreciation of fixed assets	2,275	472
Accrued interest receivable on convertible promissory note receivable	(75)	(56)
Amortization of premiums on debt securities	312	216
Loss on abandonment of intangible assets	—	143
Amortization of deferred financing costs	107	—
Forgiveness of note payable and accrued interest - SBA loan	(607)	—
Settlement of revenue contract	(84)	—
Impairment of investment in equity security	1,760	—
Changes in operating assets and liabilities:		
Accounts receivable – trade	(886)	(426)
Accounts receivable – other	—	(112)
Settlement receivable	5,100	(10,200)
Inventory	(3,873)	772
Prepaid expenses and other current assets	307	(1,746)
Prepaid expenses - noncurrent	(74)	—
Security deposit	(5)	—
Accounts payable	1,239	48
Accrued expenses	1,443	1,897
Operating lease obligations	(15)	—
Contract liabilities	7	(1,387)
Net cash used in operating activities	(37,480)	(30,064)
Cash flows from investing activities:		
Purchases of debt securities	(5,355)	(23,816)
Redemption of debt securities	13,618	4,000
Purchase of equity security	(1,760)	—
Additions to intangible assets	(4,300)	(242)
Purchases of fixed assets	(7,330)	(4,920)
Issuance of note receivable	—	(1,500)
Net cash used in investing activities	(5,127)	(26,478)
Cash flows from financing activities:		
Payment of finance lease obligation	(5,830)	(331)
Proceeds from sales of preferred and common stock	—	78,276
Proceeds from subscription receivable	—	5,549
Proceeds from exercise of stock options	77	54
Cost to attain term note	(322)	—
Acquisition of noncontrolling interest	(50)	—
Costs to raise capital	—	(4,713)
Net cash (used in) provided by financing activities	(6,125)	78,835
Effect of exchange rate changes	—	(1)
Net (decrease) increase in cash, cash equivalents and restricted cash	(48,732)	22,292
Cash, cash equivalents - beginning	77,404	55,112
Cash, cash equivalents and restricted cash - end	$ 28,672	$ 77,404

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,	
	2022	**2021**
Schedule of non-cash activities:		
Increase in ROU operating assets and liabilities for new leases	$ 5,570	$ 146
Conversion of preferred stock shares into common stock shares	$ —	$ 29
Fixed assets included in accounts payable in prior period, paid in current period	$ 791	$ —
Unrealized loss on available-for-sale debt securities	$ 150	$ 29
Lease incentive for construction in progress	$ 82	$ —
Unpaid fixed assets included in accounts payable	$ 1,769	$ 791
Termination of finance ROU assets including issuance of warrant	$ 25,386	$ —
Note payable to acquire Facility	$ 22,375	$ —
Settlement of revenue contract	$ 580	$ —
Issuance of warrant for final finance lease obligation payment	$ 217	$ —
Acquisition of noncontrolling interest	$ 18	$ —
Legal costs related to Fraunhofer litigation	$ —	$ (16,000)
Legal cost recovery - Fraunhofer litigation	$ —	$ 16,000
Accounts receivable and accounts payable offset related to Fraunhofer settlement	$ —	$ 75
Supplemental cash flow information:		
Cash paid during the period for interest	$ 1,045	$ 2,446

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

1. Nature of Business

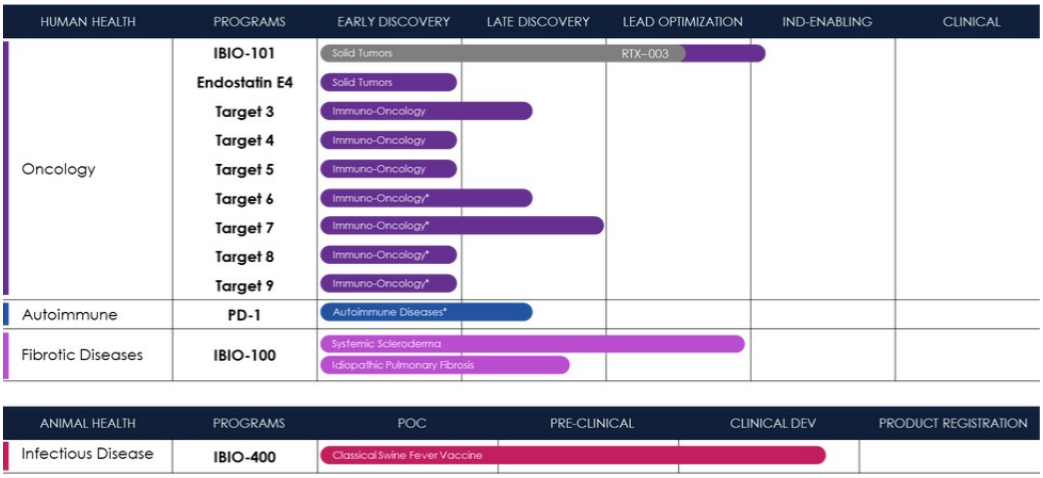
iBio, Inc. ("we", "us", "our", "iBio", "iBio, Inc" or the "Company") is a developer of next-generation biopharmaceuticals using our proprietary Artificial Intelligence ("AI")-Driven Discovery Platform and FastPharming® Manufacturing System. We are focusing our technologies on the research and development of novel products at its Drug Discovery Center in California. We are currently using our *FastPharming* Manufacturing System ("*FastPharming*" or the "*FastPharming* System") and *Glycaneering*SM Technologies to develop our portfolio of proprietary biologic drug candidates. We also offer contract development and manufacturing services from its 130,000 square foot cGMP facility in Texas.

We operate in two segments: (i) **Biopharmaceuticals;** its large molecule discovery, development, and licensing activities, and (ii) **Bioprocessing**; its contract development and manufacturing services for recombinant proteins.

On September 19, 2022, we acquired substantially all of the assets of RubrYc Therapeutics, Inc. ("RubrYc") which included**:**

- **AI Drug Discovery Platform**: A patented system that uses artificial intelligence ("AI") to design 3D models of subdominant and conformational epitopes to facilitate the creation of antibody drug candidates against previously hard-to-target tumors.
- **Previously Licensed Candidates**: All rights, with no future milestone payments or royalty obligations, to IBIO-101, an IL-2 sparing anti-CD25 antibody for depletion of regulatory T cells, along with the jointly discovered monoclonal antibody ("Target 6") that was identified in Q2 FY2022 using the Discovery Engine.
- **New Therapeutic Candidates**: Three immuno-oncology candidates, plus a partnership-ready PD-1 agonist for serious autoimmune diseases such as systemic lupus erythematosus and multiple sclerosis.

We expect the addition of new therapeutic candidates and an AI-driven drug discovery platform for difficult to treat tumors to strengthen its Biopharmaceutical discovery and development capabilities. Meanwhile, IBIO-101 remains our lead immuno-oncology asset.



For our Bioprocessing area, the *FastPharming* System is our proprietary approach to recombinant protein production using plants. It uses hydroponically grown *Nicotiana benthamiana (*a relative of the tobacco plant), novel expression vectors, and transient transfection at scale to produce complex proteins emerging from our own development pipeline or for our clients.

In an effort to focus our resources on the promising new AI discovery platform and entering the clinic with our lead compounds, we have initiated a review of potential options to accelerate our transformation into a platform drug discovery

and development company while extending our cash runway. These include a review of the pipeline, asset sales or licenses, partnerships, portfolio decisions, cost reductions, and efforts to raise additional capital, including non-dilutive additions of capital.

2. Basis of Presentation

The consolidated financial statements have been prepared in accordance with conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") and include the accounts of iBio Inc. and its 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 two affiliates of Eastern Capital Limited (the "Eastern Affiliates"). See Note 21 – Related Party Transactions for additional information.

Going Concern

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 raises substantial doubt about the Company's ability to continue as a going concern. The Company is currently evaluating a number of potential options to expand its cash runway, the implementation of which will impact the Company's liquidity. Potential options being considered to increase liquidity include lowering our expenses through a decreasing spending and focusing product development on a select number of product candidates, the sale or out-licensing of certain product candidates or parts of the business, raising money from capital markets, grant revenue or collaborations, or a combination thereof.

The Company's cash, cash equivalents and investments in debt securities of $39.5 million as of June 30, 2022, is not anticipated to be sufficient to support operations beyond Q3 of Fiscal 2023 unless the Company reduces its burn rate or increases its capital as described above. Regardless of whether the Company is able to reduce its burn rate or sell or out-license certain assets or parts of the business, the Company will need to raise additional capital in order to fully execute its longer-term business plan. It is the Company's belief, in part based on input from expert advisors, that iBio will be able to implement one or more potential options that will allow the Company to have a cash runway for at least 12 months from the date of the filing of this Annual Report on Form 10-K and the goal is to implement one or more options that will allow the Company to have a cash runway longer than 12 months. There can be no assurance that the Company will be successful in implementing any of the options that we are evaluating.

On October 11, 2022, we and Woodforest amended the Credit Agreement to: (i) include a payment of $5,500,000 of the outstanding principal balance owed under the Credit Agreement on the date of the amendment, (ii) include a payment of $5,100,000 of the outstanding principal balance owed under the Credit Agreement within two (2) business days upon our receipt of such amount owed to us by Fraunhofer as part of our legal settlement with them (see Item 3 – Legal Proceedings for more information), (iii) include principal payments of $250,000 per month in debt amortization for a 6 month period commencing the date of the amendment through March 2023, (iv) include an amendment fee of $22,375 and all costs and expenses, (v) require delivery of a report detailing cash flow expenditures every two (2) weeks for the period prior to the delivery of the last report and a monthly 12-month forecast (vi) reduce the liquidity covenant in the Guaranty (as defined in the Credit Agreement) from $10 million to $7.5 million with the ability to lower the liquidity covenant to $5.0 million upon the occurrence of a specific milestone in the Credit Agreement, and (vii) change the annual filing requirement solely for the fiscal year ending June 30, 2022, such that the filing is acceptable with or without a "going concern" designation. In addition, Woodforest cancelled the irrevocable letter of credit issued by JPMorgan Chase Bank upon closing of the amendment. If we fail to successfully extend our cash runway via strategic options or other alternatives as described we would be in violation of the liquidity covenant on December 31, 2022.

The accompanying financial statements do not include any adjustments related to the recoverability and classification of assets or the amounts and classification of liabilities that may result from the possible inability of the Company to continue as a going concern.

Reverse Stock Split

On September 22, 2022, the Company's Board of Directors approved the implementation of a reverse stock split at a ratio of one-for-twenty five (1 : 25) shares of the Company's Common Stock. The reverse stock split was effective as of October 7, 2022. All share and per share amounts of our common stock presented have been retroactively adjusted to reflect the one-for-twenty five reverse stock split. See Note 17 for more information.

3. Summary of Significant Accounting Policies

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. These estimates include liquidity assertions, the valuation of intellectual property including impairment considerations, 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, 2022, and 2021, the Company determined that an allowance for doubtful accounts was not needed.

Revenue Recognition

The Company accounts for its revenue recognition under Accounting Standards Codification (“ASC”) 606, *Revenue from Contracts with Customers*. Under this 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 falls 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, 2022, and 2021, 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). All revenue was recognized at a point in time for all periods presented.

The following table summarizes revenue by type (in thousands):

	June 30,	
	2022	2021
License revenue	$ 1,800	$ —
CDMO services	583	2,371
Total revenue	$ 2,383	$ 2,371

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, 2022 and 2021, 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, 2022 and 2021, contract liabilities were $100,000 and $423,000, respectively. The Company recognized revenue of $178,000 in 2022 that was included in the contract liabilities balance as of June 30, 2021 and $1,087,000 in 2021 that was included in the contract liabilities balance as of June 30, 2020.

Leases

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

As the Company elected to adopt ASC 842 at the beginning of the period of adoption (July 1, 2019), 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 are recorded based on the present value of lease payments over the expected remaining lease term. The implicit rate within the Company's existing finance (capital) lease was determinable and, therefore, used at the adoption date of ASC 842 to determine the present value of lease payments under the finance lease. The implicit rate within the Company's operating lease was not determinable and, therefore, the Company used the incremental borrowing rate at the lease commencement date to determine the present value of lease payments. The determination of the Company's incremental borrowing rate requires judgement. The Company will determine the incremental borrowing rate for each new lease using its estimated borrowing rate.

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

Cash, Cash Equivalents and Restricted Cash

The Company considers all highly liquid instruments purchased with an original maturity of three months or less to be cash equivalents. Cash equivalents at June 30, 2022 and 2021 consisted of money market accounts. Restricted cash consists of collateral held for letters of credit obtained to the term note payable for the purchase of the 130,000 square foot cGMP manufacturing facility in Bryan, Texas located at 8800 HSC Parkway, Bryan, Texas 77807 (the "Facility") (see Note 6 – Significant Transactions) and the San Diego operating lease (see Note 16 – Operating Lease Obligations) and a Company purchasing card. The Company's bank requires an additional 5% collateral held above the actual letters of credit issued. Restricted cash value was $5,996,000 and $0 at June 30, 2022 and 2021, respectively.

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

	June 30, 2022	June 30, 2021
Cash and equivalents	$ 22,676	$ 77,404
Collateral held for letter of credit - term note payable	5,743	—
Collateral held for letter of credit - San Diego lease	198	
Collateral held for Company purchasing card	55	—
Total cash, cash equivalents and restricted cash	$ 28,672	$ 77,404

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. See Note 6 - Significant Transactions.

Inventory

Inventory is stated at the lower of cost or net realizable value on the first-in, first-out basis. The Company periodically evaluates inventory items and establishes reserves for obsolescence accordingly. Inventory consists of the following (table in thousands):

	June 30, 2022	June 30, 2021
Raw materials	$ 3,896	$ —
Work in process	4	27
	$ 3,900	$ 27

Research and Development

The Company accounts for research and development costs in accordance with the Financial Accounting Standards Board ("FASB") ASC 730-10, "*Research and Development*" ("ASC 730-10"). Under ASC 730-10, all research and development costs must be charged to expense as incurred. Accordingly, internal research and development costs are expensed as

incurred. Third-party research and development costs are expensed when the contracted work has been performed or as milestone results have been achieved.

Right-of-Use Assets

Assets held under the terms of finance (capital) leases are amortized on a straight-line basis over the terms of the leases or the economic lives of the assets. Obligations for future lease payments under finance (capital) leases are shown within liabilities and are analyzed between amounts falling due within and after one year. See Note 9 - Finance Lease ROU Assets and Note 15 - Finance Lease Obligations for additional information.

Fixed Assets

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

Intangible Assets

The Company accounts for intangible assets at either their historical cost or allocated purchase price at asset acquisition and records amortization utilizing the straight-line method based upon their estimated useful lives. Patents are amortized over a period of 10 years and other intellectual property is amortized over a period from 16 to 23 years unless they were determined to have indefinite lives. 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.

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 "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 19 – 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, 2022 and 2021. 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 2022 and 2021.

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, 2022 and 2021, amounts in excess of insured limits were approximately $18,200,000 and $27,013,000, respectively.

Revenue

During the year ended June 30, 2022, the Company generated 100% of its revenue from 10 customers with one customer accounting for 76% of revenue related to a licensing agreement (see Note 20 – Fraunhofer Settlement). During the year ended June 30, 2021, the Company generated 99% of its revenue from four customers, each of whom individually accounted for more than 10% of revenue.

4. Recently Issued Accounting Pronouncements

In June 2016, the 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 does not expect the adoption of ASU 2016-13 to have a significant impact on the Company's consolidated financial statements.

On July 1, 2021, the Company adopted 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. 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 adoption of ASU 2019-12 did not 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, restricted cash, accounts receivable, accounts payable and accrued expenses in the Company's consolidated balance sheets approximated their fair values as of June 30, 2022 and 2021 due to their short-term nature. The carrying value of the convertible promissory note receivable, term note payable and finance lease obligations approximated fair value as of June 30, 2022 and 2021 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. Significant Transactions

Affiliates of Eastern Capital Limited

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

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

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

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

The Facility is a life sciences building located on land owned by the Board of Regents of the Texas A&M University System ("Texas A&M") and is designed and equipped for the manufacture of plant-made biopharmaceuticals. iBio CDMO had held a sublease for the Facility through 2050, subject to extension until 2060 (the "Sublease").

The Purchase and Sale Agreement

On November 1, 2021, the Purchaser entered into a Purchase and Sale Agreement (the "Purchase and Sale Agreement") with the Seller pursuant to which: (i) the Seller sold to Purchaser all of its rights, title and interest as the tenant in the Ground Lease Agreement (the "Ground Lease Agreement") that it entered into with Texas A&M (the "Landlord'') related to the property at which the Facility is located together with all improvements pertaining thereto (the "Property"), which previously had been the subject of the Sublease; (ii) the Seller sold to Purchaser all of its rights, title and interest to any tangible personal property owned by Seller and located on the Property including the Facility; (iii) the Seller sold to Purchaser all of its rights, title and interest to all licensed, permits and authorization for use of the Property; and (iv) College Station and iBio CDMO terminated the Sublease. The total purchase price for the Property, the termination of the Sublease and other agreements among the parties, and the equity described below is $28,750,000, which was paid $28,000,000 in cash and by the issuance to Seller of warrants (the "Warrant") described below. As part of the transaction, iBio CDMO became the tenant under the Ground Lease Agreement for the Property until 2060 upon exercise of available extensions. The base rent payable under the Ground Lease Agreement, which was $151,450 for the prior year, is 6.5% of the Fair Market Value (as defined in the Ground Lease Agreement) of the Property. The Ground Lease Agreement includes various covenants, indemnities, defaults, termination rights, and other provisions customary for lease transactions of this nature.

The Equity Purchase Agreement

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

The Credit Agreement

In connection with the Purchase and Sale Agreement, iBio CDMO entered into a Credit Agreement, dated November 1, 2021, with Woodforest pursuant to which Woodforest provided iBio CDMO a $22,375,000 secured term loan (the "Term Loan") to purchase the Facility, which Term Loan is evidenced by a Term Note (the "Term Note"). The Term Loan was advanced in full on the closing date. The Term Loan bears interest at a rate of 3.25%, with higher interest rates upon an event of default, which interest is payable monthly beginning November 5, 2021. Principal on the Term Loan is payable

on November 1, 2023, subject to early termination upon events of default. The Term Loan provides that it may be prepaid by iBio CDMO at any time and provides for mandatory prepayment upon certain circumstances.

The Credit Agreement contains customary events of default (which are in some cases subject to certain exceptions, thresholds, notice requirements and grace periods), including, but not limited to, nonpayment of principal or interest, failure to perform or observe covenants, breaches of representations and warranties, cross-defaults with certain other indebtedness, certain bankruptcy-related events or proceedings, final monetary judgments or orders and certain change of control events. The covenants include a prohibition on the incurrence of Debt (as defined in the Credit Agreement) except permitted Debt (as defined in the Credit Agreement) and Liens (as defined in the Credit Agreement) and termination of the Ground Lease Agreement. In addition, the Company must maintain unrestricted cash of no less than $10,000,000.

The Company opened an irrevocable letter of credit in the amount of approximately $5,469,000 in favor of Woodforest. The letter of credit expires on October 29, 2022, and renews annually as required.

The proceeds of the Term Loan were used (a) to fund a portion of the purchase price under the Purchase Agreement, and (b) to pay closing costs in connection with the Credit Agreement. The term loan is secured by (a) a leasehold deed of trust on the Facility, (b) a letter of credit issued by JPMorgan Chase Bank, and (c) a first lien on all assets of iBio CDMO including the Facility.

On October 11, 2022, we and Woodforest amended the Credit Agreement to: (i) include a payment of $5,500,000 of the outstanding principal balance owed under the Credit Agreement on the date of the amendment, (ii) include a payment of $5,100,000 of the outstanding principal balance owed under the Credit Agreement within two (2) business days upon our receipt of such amount owed to us by Fraunhofer as part of our legal settlement with them (see Item 3 – Legal Proceedings for more information), (iii) include principal payments of $250,000 per month in debt amortization for a 6 month period commencing the date of the amendment through March 2023, (iv) include an amendment fee of $22,375 and all costs and expenses, (v) require delivery of a report detailing cash flow expenditures every two (2) weeks for the period prior to the delivery of the last report and a monthly 12-month forecast (vi) reduce the liquidity covenant in the Guaranty (as defined in the Credit Agreement) from $10 million to $7.5 million with the ability to lower the liquidity covenant to $5.0 million upon the occurrence of a specific milestone in the Credit Agreement, and (vii) change the annual filing requirement solely for the fiscal year ending June 30, 2022, such that the filing is acceptable with or without a "going concern" designation. In addition, Woodforest cancelled the irrevocable letter of credit issued by JPMorgan Chase Bank upon closing of the amendment. If we fail to successfully extend our cash runway via strategic options or other alternatives as described we would be in violation of the liquidity covenant on December 31, 2022.

As a result of the foregoing, at June 30, 2022, the Term Loan of $22,375,000 is presented net of the Company's approximate $214,000 of costs incurred to attain the debt and has been classified as short term. Interest expense incurred under the Credit Agreement for the year ended June 30, 2022 amounted to $489,000. Amortization of deferred finance costs amounted to $107,000 in the year ended June 30, 2022 and is included in interest expense.

Security and Pledge Agreements, Guaranties and Deed of Trust

iBio CDMO also entered into a Security Agreement on November 1, 2021 with Woodforest (the "Security Agreement") providing Woodforest a security interest in the following assets of iBio CDMO (subject to certain exclusions): all personal and fixture property of every kind and nature, including, without limitation, all goods (including, but not limited to, all equipment and any accessions thereto), all inventory, instruments (including promissory notes), documents, accounts, chattel paper (whether tangible or electronic), deposit accounts, securities accounts, letter-of-credit rights (whether or not the letter of credit is evidenced by a writing), money, commercial tort claims, securities and all other investment property, supporting obligations, contracts, contract rights, other rights to the payment of money, insurance claims and proceeds, software, fixtures, vehicles and rolling stock (whether or not subject to a certificate of title statute), leasehold improvements, general intangibles (including all payment intangibles), and all of iBio CDMO's company and other business books, reports, memoranda, customer lists, credit files, data compilations, and computer software, in any form, including, without limitation, whether on tape, disk, card, strip, cartridge, or any other form, pertaining to any and all of the foregoing property, and all products and proceeds of the foregoing.

The Company also entered into a Guaranty for the benefit of Woodforest (the "Guaranty") pursuant to which it guaranteed all of the obligations of iBio CDMO to Woodforest.

In addition, iBio CDMO entered into a Leasehold Deed of Trust, Assignment of Rents, Security Agreement and UCC Financing Statement for Fixture Filing (the "Deed of Trust") with the trustee named therein and Woodforest as beneficiary, securing all of iBio CDMO's obligations to Woodforest by a senior priority security interest in the Property.

The Company and iBio CDMO also entered into an Environmental Indemnity Agreement in favor of Woodforest (the "Environmental Indemnity Agreement").

The Warrant

As part of the consideration for the purchase and sale of the rights set forth above, the Company issued to Bryan Capital a Warrant to purchase 51,583 shares of the Common Stock at an exercise price of $33.25 per share. The Warrant expires on October 10, 2026, is exercisable immediately, provides for a cashless exercise at any time and automatic cashless exercise on the expiration date if on such date the exercise price of the Warrant exceeds its fair market value as determined in accordance with the terms of the Warrant and adjustments in the case of stock dividends and stock splits. Of the total shares that can be exercised under the Warrant, 11,583 of such shares were valued at $217,255 to reflect the final payment of rent due under the Sublease. The Warrant, as shown on the consolidated statements of equity, was recorded in additional paid-in capital with the corresponding activity included in the basis of the purchase price allocation of the Property acquired. See Note 17 – Stockholders' Equity for additional information.

RubrYc

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

Collaboration and License Agreement

The Company entered into a collaboration and licensing agreement (the "RTX-003 License Agreement") with RubrYc to further develop RubrYc's immune-oncology antibodies in its RTX-003 campaign. Under the terms of the agreement, the Company is solely responsible for worldwide research and development activities for development of the RTX-003 antibodies for use in pharmaceutical products in all fields. 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 are set forth below:

- 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 the Company 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. 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 are set forth below.

- 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.

In November 2021, the Company announced that for the first time it had commenced development of a new molecule that was designed using RubrYc's artificial intelligence discovery platform.

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 the Company 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 and April 2, 2022. 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").

On March 16, 2022, pursuant to the Stock Purchase Agreement, and upon the satisfaction of the conditions set forth therein, the Company acquired an additional 954,782 shares of RubrYc's Series A-2 preferred stock for $2.5 million.

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. Mr. Thomas Isett ("Isett"), our Chief Executive Officer and Chairperson, was appointed to the board of directors of RubrYc for which he receives no additional compensation from RubrYc.

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

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

At September 30, 2021, the Company recorded a liability of $2,500,000 for the acquisition of the second tranche of Series A-2 Preferred shares. The liability was paid in March 2022.

On September 16, 2022, the Company entered an Asset Purchase Agreement with RubrYc pursuant to which it acquired substantially all of RubrYc's assets. See Note 25 – Subsequent Events for further details.

Associated with RubrYc being in the process of ceasing operations, the Company recorded an impairment of the investment in the amount of $1,760,000 in 2022. The amount was recorded in the consolidated statement of operations and comprehensive loss under general and administrative expense. The Company also recorded an impairment of current and non-current prepaid expense of $288,000 and $864,000, respectively, in 2022. The amount was recorded in the consolidated statement of operations and comprehensive loss under research and development expense.

7. 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 the years ended June 30, 2022 and 2021, interest income amounted to $75,000 and $56,000, respectively. As of June 30, 2022 and 2021, the Note balance and accrued interest totaled $1,631,000 and $1,556,000, respectively.

8. Investments in Debt Securities

Investments in debt securities consist of AA and A rated corporate bonds bearing interest at rates from 0.25% to 3.5% with maturities from August 2022 to February 2024. The components of investments in debt securities are as follows (in thousands):

		June 30, 2022		**June 30, 2021**
Adjusted cost	$	11,029	$	19,603
Gross unrealized losses		(184)		(33)
Fair value	$	10,845	$	19,570

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

Fiscal period ending:	June 30, 2022	June 30 2021
2023	$ 8,054	$ 11,430
2024	2,791	8,140
	$ 10,845	$ 19,570

Amortization of premiums paid on the debt securities amounted to $312,000 and $216,000 for the years ended June 30, 2022 and 2021, respectively.

9. Finance Lease ROU Assets

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.

From January 13, 2016, until November 1, 2021, iBio CDMO leased the Facility in Bryan, Texas as well as certain equipment from College Station under the Sublease. The Sublease was terminated on November 1, 2021, when iBio CDMO acquired the Facility and became the tenant under the ground lease for the Property upon which the Facility is located.

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.

In addition, the Company also leases a mobile office trailer.

See Note 15 – Finance Lease Obligations for more details of the terms of the leases.

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

	June 30, 2022	June 30, 2021
ROU - Facility	$ —	$ 25,907
ROU - Equipment	146	7,728
	146	33,635
Accumulated amortization	(72)	(7,524)
Net finance lease ROU	$ 74	$ 26,111

Amortization expense of finance lease ROU assets was approximately $599,000 and $1,651,000 for the years ended June 30, 2022 and 2021, respectively.

10. Operating Lease ROU Assets

On September 10, 2021, the Company entered into a lease for approximately 11,383 square feet of space in San Diego, California. Based on the terms of the lease payments, the Company recorded an operating lease right-of-use asset of $3,603,000.

On November 1, 2021, as discussed above, iBio CDMO acquired the Facility and became the tenant under the ground lease for the Property upon which the Facility is located. Based on the terms of the lease payments, the Company recorded an operating lease right of use ("ROU") asset of $1,967,000.

See Note 16 - Operating Lease Obligations for additional information.

The following table summarizes by category the net carrying values of operating lease ROU (in thousands):

	June 30, 2022	June 30, 2021
ROU - San Diego lease	$ 3,068	$ —
ROU - Texas Facility ground lease	1,952	—
Net operating lease ROU	$ 5,020	$ —

11. 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, 2022	June 30, 2021
Facility and improvements	$ 21,589	$ 1,517
Machinery and equipment	12,161	4,255
Office equipment and software	2,752	714
Construction in progress	3,659	3,367
	40,161	9,853
Accumulated depreciation	(3,500)	(1,225)
Net fixed assets	$ 36,661	$ 8,628

Depreciation expense was approximately $2,275,000 and $472,000 for the years ended June 30, 2022 and 2021, respectively.

12. 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.

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

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 and February 2022. 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 an Investigational New Drug Application with the FDA or foreign equivalent covering the Licensed Technology ("IND") – initially was required to be met by December 1, 2015, and on November 2, 2020, was extended to be required to be met by December 31, 2021. On February 8, 2022, the Company signed another amendment to the license agreement with the University of Pittsburgh. The deadline for the next milestone was extended to December 31, 2023. In addition, the amounts of the annual license maintenance fee and payment upon completion of various regulatory milestones were amended.

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 unless they were determined to have indefinite lives. 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.

No impairments were recorded in Fiscal Year 2022. The Company recorded an impairment of licensed technology in the amount of $143,000 in Fiscal Year 2021. This amount was recorded in the consolidated statement of operations and comprehensive loss under general and administrative expense.

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

	June 30, 2022	June 30, 2021
Intellectual property – gross carrying value	$ 3,100	$ 3,100
Patents and licenses – gross carrying value	2,846	2,720
	5,946	5,820
Intellectual property – accumulated amortization	(2,867)	(2,711)
Patents and licenses – accumulated amortization	(2,403)	(2,157)
	(5,270)	(4,868)
Total definite lived intangible assets, net of accumulated amortization	676	952
License - indefinite lived	4,175	—
Total net intangible assets	$ 4,851	$ 952

Amortization expense was approximately $401,000 and $291,000 for the years ended June 30, 2022 and 2021, respectively. The weighted-average remaining life for intellectual property and patents at June 30, 2022 was approximately 1.5 years and 5.6 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,	
2023	$ 261
2024	165
2025	69
2026	57
2027	45
Thereafter	79
	$ 676

13. Accrued Expenses

Accrued expenses consist of the following (in thousands):

	June 30, 2022	June 30, 2021
Salaries and benefits	$ 3,066	$ 1,667
Real estate taxes	284	—
Professional fees	126	497
Interest	59	—
Rent and real estate taxes – related party (see Note 15)	—	295
Interest – related party (see Note 15)	—	406
Other accrued expenses	229	136
Total accrued expenses	$ 3,764	$ 3,001

14. 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 Small Business Administration ("SBA") Loan as debt under ASC 470, *Debt*. At June 30, 2021, the Company owned $600,000.

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 derecognized the liability and accrued interest in the first quarter of Fiscal 2022.

15. Finance Lease Obligation

Sublease

As discussed above, until November 1, 2021, iBio CDMO leased the Facility as well as certain equipment from College Station under the Sublease.

The Sublease was terminated on November 1, 2021, when iBio CDMO acquired the Facility and became the tenant under the ground lease for the Property upon which the Facility is located. See Note 16 – Operating Lease Obligations for additional information related to the ground lease.

Prior terms of the Sublease which determined the accounting through October 31, 2021, included:

- The 34-year term of the Sublease was to expire in 2050 but could have been extended by iBio CDMO for a 10-year period, so long as iBio CDMO was not in default under the Sublease. Under the Sublease, iBio CDMO was 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 was 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 was 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 would have increased by any increase in the base rent under the ground lease as a result of such adjustments. iBio CDMO was 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 $64,000 and $189,000 for the years ended June 30, 2022 and 2021, respectively.

- In addition to the base rent, iBio CDMO was 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 were less than $5,000,000, or for any calendar year period from and after January 1, 2020, its applicable gross sales were less than $10,000,000, then iBio CDMO was required to pay the amount that would have been payable if it had achieved such minimum gross sales and would pay no less than the applicable percentage for the minimum gross sales for each subsequent calendar year. As the Company accounts for leases under ASC 842, the minimum percentage rent was included in the finance lease obligation through the acquisition on November 1, 2021.

Accrued expenses at June 30, 2022 and 2021 due College Station amounted to $0 and $701,000, respectively. General and administrative expenses related to College Station, including rent related to the increases in CPI and real estate taxes, were approximately $250,000 and $744,000 for the years ended June 30, 2022 and 2021, respectively. Interest expense related to College Station was approximately $810,000 and $2,446,000 for the years ended June 30, 2022 and 2021, respectively.

Mobile Office Trailer

Commencing April 1, 2021, the Company is leasing a mobile office trailer at a monthly rental of $3,819 through March 31, 2024.

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,	
	2022	2021
Finance lease cost:		
Amortization of ROU assets	$ 599	$ 1,651
Interest on lease liabilities	816	2,447
CPI lease cost	64	200
Total lease cost	$ 1,479	$ 4,298
Other information:		
Cash paid for amounts included in the measurement lease liabilities:		
Operating cash flows from finance lease - CPI rent	$ 64	$ 200
Financing cash flows from finance lease obligation	$ 5,830	$ 331

	Years Ended June 30,	
	2022	2021
Finance lease ROU assets	$ 74	$ 26,111
Finance lease obligation - current portion	$ 46	$ 367
Finance lease obligation - non-current portion	$ 30	$ 31,755
Weighted average remaining lease term - finance lease	1.76 years	28.58 years
Weighted average discount rate - finance lease obligation	6.25 %	7.606 %

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

Fiscal year ending on June 30:	Principal	Interest	Total
2023	$ 46	$ 4	$ 50
2024	30	1	31
Total minimum lease payments	76	$ 5	$ 81
Less: current portion	(46)		
Long-term portion of minimum lease obligations	$ 30		

16. Operating Lease Obligations

Texas Ground Lease

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

San Diego

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

- The length of term of the lease is 88 months from the lease commencement date (as defined).

- The lease commencement date is September 16, 2022.
- The monthly rent for the first year of the lease is $51,223 and increases approximately 3% per year.
- The lease provides for a base rent abatement for months two through five in the first year of the lease.
- The landlord is providing a tenant improvement allowance of $81,860 to be used for improvements as specified in the lease.
- The Company is responsible for other expenses such as electric, janitorial, etc.
- The Company opened an irrevocable letter of credit in the amount of $188,844 in favor of the landlord. The letter of credit expires on October 8, 2022 and renews annually as required.

As discussed above, the lease provides for scheduled increases in base rent and scheduled rent abatements. Rent expense is charged to operations using the straight-line method over the term of the lease which results in rent expense being charged to operations at inception of the lease in excess of required lease payments. This excess (formerly classified as deferred rent) is shown as a reduction of the operating lease right-of-use asset in the accompanying balance sheet. As the Company has already started making improvements to the facility, the rent expense will be recognized.

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

	Year Ended June 30, 2022
Operating lease cost:	$ 555
Total lease cost	$ 555
Other information:	
Cash paid for amounts included in the measurement lease liability:	
Operating cash flows from operating lease	$ 555
Operating cash flows from operating lease obligation	$ 15

	June 30, 2022
Operating lease ROU assets	$ 5,020
Operating lease obligations - current portion	$ 101
Operating lease obligations - noncurrent portion	$ 5,455
Weighted average remaining lease term - operating leases	23.64
Weighted average discount rate - operating lease obligations	7.25

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

Fiscal year ending on June 30:	Principal	Imputed Interest	Total
2023	$ 101	$ 359	$ 460
2024	400	382	782
2025	448	352	800
2026	503	317	820
2027	560	279	839
Thereafter	3,544	3,217	6,761
Total minimum lease payments	5,556	$ 4,906	$ 10,462
Less: current portion	(101)		
Long-term portion of minimum lease obligation	$ 5,455		

17. 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.

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

On May 9, 2022, the Board of Directors of the Company created the Series 2022 Preferred, par value $0.001 per share, out of the Company's 1 million authorized shares of preferred stock.

Terms of the Series 2022 Preferred include the following:

1. Each share of Series 2022 Preferred is convertible into one pre-split share of common stock.

2. Holders are entitled to dividends on shares of Series 2022 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. The Company cannot pay any dividends on the common stock unless the Company simultaneously complies with this provision.

3. Holders have no voting rights except as defined in the certificate of designation to amplify the vote of the underlying shareholders for purposes of a vote on a reverse split proposal.

4. Upon any liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, the holders are entitled to receive the same amount that a holder of common stock would receive if the Series 2022 Preferred were fully converted (disregarding for such purposes any conversion limitations hereunder) into common stock at the conversion price in effect at such time. Such amounts were required be paid pari passu with all holders of common stock.

The Company issued 1,000 shares of Series 2022 Preferred and received proceeds of $270. Pursuant to the terms of the preferred stock, the Company's Board of Directors converted the Preferred Stock to pre-split Common Stock at a conversion ratio of 1:1 on July 19, 2022.

iBio CMO Preferred Tracking Stock

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

On February 23, 2017, the Board of Directors of the Company created the Preferred Tracking Stock out of the Company's 1 million authorized shares of preferred stock. The Preferred Tracking Stock accrued dividends at the rate of 2% per annum on the original issue price. Accrued dividends were cumulative and were payable if and when declared by the Board 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. No dividends were declared through October 31, 2021.

On November 1, 2021, iBio purchased the iBio CMO Preferred Tracking Stock held by Bryan Capital. No iBio CMO Preferred Tracking Stock remains outstanding. As a result, the iBio CDMO subsidiary and its intellectual property are now wholly owned by iBio. Accrued dividends totaled approximately $0 and $1,131,000 at June 30, 2022 and 2021, respectively.

Series A Convertible Preferred Stock, par value $0.001 per share ("Series A Preferred"), Series B Convertible Preferred Stock, par value $0.001 per share ("Series B Preferred") and Series C Convertible Preferred Stock, par value $0.001 per share ("Series C Preferred")

On June 20, 2018, the Board of Directors of the Company created the Series A Preferred and Series B Preferred Stock and designated 6,300 shares as Series A Preferred Stock and 5,785 shares as Series B Preferred Stock. On June 26, 2018, the Company issued 6,300 shares of Series A Preferred and 5,785 shares of Series B Preferred Stock as part of a public offering. All of the issued shares of Series A Preferred were converted into an aggregate of 334,320 shares of Common Stock before July 1, 2020. All of the issued Series B Preferred were converted into an aggregate of 1,157,400 shares of Common Stock in August 2020.

On October 28, 2019, the Board of Directors of the Company created the Series C Preferred. On October 29, 2019, the Company issued 4,510 shares of Series C Preferred as part of a public offering. All of the shares of Series C Preferred were converted into an aggregate of 902,000 shares of the Common Stock before July 1, 2020.

No shares of Series A Preferred, Series B Preferred or Series C Preferred remained outstanding as of June 30, 2022 and 2021.

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.

Reverse Stock Split

On June 30, 2022, the Company held a special meeting of its stockholders at which the stockholders approved a proposal to effect an amendment to the Company's certificate of incorporation, as amended, to implement a reverse stock split at a ratio of one-for-twenty five (1:25). On September 22, 2022, the Company's Board of Directors approved the implementation of the reverse stock split of the Company's Common Stock. As a result of the reverse stock split, every twenty five (25) shares of the Company's Common Stock either issued and outstanding or held by the Company in its treasury immediately prior to the effective time was, automatically and without any action on the part of the respective holders thereof, combined and converted into one (1) share of the Company's common stock. No fractional shares were issued in connection with the reverse stock split. Stockholders who otherwise were entitled to receive a fractional share in connection with the reverse stock split instead were eligible to receive a cash payment, which was not material in the aggregate, instead of shares. On October 7, 2022, the Company filed a Certificate of Amendment of its Certificate of Incorporation, as amended with the Secretary of State of Delaware effecting a one-for-twenty five (1:25) reverse stock split of the shares of the Company's common stock, either issued and outstanding, effective October 7, 2022. The Company's common stock began trading on a reverse split adjusted basis when the market opened Monday, October 10, 2022.

Issuances of Common Stock for the year ended June 20, 2022 were as follows:

Vesting of Restricted Stock Units ("RSUs")

In the quarter ended December 31, 2021, RSUs for 4,120 shares of Common Stock were vested. In the quarter ended March 31, 2022, RSUs for 4,201 shares of Common Stock were vested. In the quarter ended June 30, 2022, RSUs for 533 shares of Common Stock were vested.

Exercise of Stock Options

In late September 2021, options for 3,380 shares of Common Stock were exercised.

Cantor Fitzgerald Underwriting

On November 25, 2020, the Company entered into a Controlled Equity Offering[SM] Sales Agreement (the "Sales Agreement") with Cantor Fitzgerald & Co. ("Cantor Fitzgerald") to sell shares of Common Stock, from time to time, through an "at the market offering" program having an aggregate offering price of up to $100,000,000 through which Cantor Fitzgerald would act as sales agent (the "Sales Agent"). The issuance and sale, if any, of Common Stock by the Company under the Sales Agreement was made pursuant to 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 the Underwriting Agreement with Cantor Fitzgerald, pursuant to which the Company (i) agreed to issue and sell in an underwritten public offering (the "Offering") 1,186,441 shares of Common Stock to Cantor Fitzgerald and (ii) granted Cantor Fitzgerald an option for 30 days to purchase up to an additional 177,966 shares of Common Stock that may be sold upon the exercise of such option by Cantor Fitzgerald. On December 10, 2020, this offering closed and the Company issued 1,186,441 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 169,633 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 4,528 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 68,672 shares of Common Stock. The Company received net proceeds of approximately $2.995 million.

Between July 25, 2022, and August 17, 2022, Cantor Fitzgerald sold as sales agent pursuant to the Sales Agreement 175,973 shares of Common Stock. The Company received net proceeds of approximately $1.2 million.

RubrYc Transaction

On September 19, 2022, iBio issued 102,354 shares to RubrYc Therapeutics as part of the payment for purchasing the assets of RubrYc Therapeutics.

Issuances of Common Stock for the year ended June 20, 2021 were as follows:

Equity Distribution Agreement

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. 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.

For the period from July 1, 2020 to November 25, 2020, the termination date of the offering, 416,359 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.

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 had 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.

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 40,000 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 $5.00, 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.

For the period from July 1, 2020 to July 27, 2020, Lincoln Park was issued 106,921 shares of common stock for proceeds totaling $6.79 million. No further sales of shares of the Company's common stock were 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.

Vesting of RSUs

In the quarter ended March 31, 2021, RSUs for 379 shares of Common Stock were vested.

Exercise of Stock Options

For the year ended June 30, 2021, options for 2,147 shares of Common Stock were exercised.

Warrants

The Company issued 1,000,000 Series A Warrants and 1,000,000 Series B Warrants as part of its October 29, 2019, public offering. The Series A Warrants were exercisable at $5.50 per share, had a term of two years and were set to expire on October 29, 2021. The Series B Warrants were exercisable at $5.50 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 "Warrant Exchange Agreement") with certain holders (the "Warrant Holders") of the Company's Series A Warrants (the "Original Series A Warrants") and Series B Warrants (the "Original Series B Warrants").

From the date of the October 29, 2019 public offering through June 30, 2020, the Company issued 1,162,807 shares of Common Stock for the exercise of various Warrants and received proceeds of $6.4 million. In addition, the Company issued 237,193 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 above. Costs related to the exchange under the Warrant Exchange agreement totaled approximately $313,000 and were offset against additional paid-in capital.

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

The Warrant

As discussed above, the Company issued to Bryan Capital a Warrant to purchase 51,583 shares of the Common Stock of the Company at an exercise price of $33.25 per share. The Warrant expires October 10, 2026, is exercisable immediately, provides for a cashless exercise at any time and automatic cashless exercise on the expiration date if on such date the exercise price of the Warrant exceeds its fair market value as determined in accordance with the terms of the Warrant and adjustments in the case of stock dividends and stock splits.

The Company estimated the fair value of the Warrant using the Black-Scholes model with the following assumptions:

Weighted average risk-free interest rate	0.23 %
Dividend yield	0 %
Volatility	136.9 %
Expected term (in years)	4.95

18. 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):

	Year Ended June 30,	
	2022	2021
Basic and diluted numerator:		
Net loss attributable to iBio, Inc.	$ (50,303)	$ (23,207)
Preferred stock dividends – iBio CMO Preferred Tracking Stock	(88)	(260)
Net loss available to iBio, Inc. stockholders	$ (50,391)	$ (23,467)
Basic and diluted denominator:		
Weighted-average common shares outstanding	8,721	7,825
Per share amount	$ (5.78)	$ (3.00)

In Fiscal Years 2022 and 2021, the Company incurred net losses which cannot be diluted; therefore, basic and diluted loss per common share is the same. As of June 30, 2022 and 2021, shares issuable which could potentially dilute future earnings included were as follows:

	June 30,	
	2022	2021
	(in thousands)	
Stock options	622	342
Warrant issued under the Transaction	51	—
Restricted stock units	21	27
Series 2022 Preferred	*	—
Shares excluded from the calculation of diluted loss per share	694	369

* Less than 1,000

19. Share-Based Compensation

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

	Year Ended June 30,	
	2022	2021
Research and development	$ 573	$ 185
General and administrative	3,804	1,401
Total	$ 4,377	$ 1,586

Stock Options

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 140,000 shares to 260,000 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 was 260,000. Stock options granted under the 2018 Plan could 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 was determined by the Board of Directors and stated in the award agreements. In general, vesting 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 was satisfied. The Company used historical data to estimate forfeiture rates. The 2018 Plan was terminated with the adoption of the iBio, Inc. 2020 Omnibus Equity Incentive Plan (see below).

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

On December 9, 2020, the Company adopted the 2020 Plan for employees, officers, directors and external service providers. The total number of shares of Common Stock reserved under the 2020 Plan is 1,280,000 shares of Common Stock for issuance pursuant to the grant of new awards under the 2020 Plan. The 2020 Plan allows for the award of stock options, stock appreciation rights, restricted stock, restricted stock units, unrestricted stock, cash-based awards, and dividend equivalent rights. The value of all awards awarded under the 2020 Plan and all other cash compensation paid by the Company to any non-employee director in any calendar year may not exceed $500,000; provided, however, that such amount shall be $750,000 for the calendar year in which the applicable non-employee director is initially elected or appointed to the Board 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.

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

Issuances of stock options during the year ended June 30, 2022 were as follows:

- On July 12, 2021, the Company granted a stock option agreement to an employee to purchase 1,000 shares of Common Stock at an exercise price of $33.75 per share. The options vest 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 1,000 shares of Common Stock at an exercise price of $33.25 per share. The options vest 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 4,000 shares of Common Stock at an exercise price of $31.50 per share. The options vest 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 an aggregate of 157,488 shares of Common Stock at an exercise price of $31.50 per share. The options vest over a period of three years and expire on the tenth anniversary of the grant date.

- On September 13, 2021, the Company granted a stock option agreement to an employee to purchase 2,000 shares of Common Stock at an exercise price of $29.00 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 an option grant award to Mr. Isett to purchase 80,000 shares of Common Stock with an exercise price of $29.25, which vest in equal monthly installments over a 36-month period following the grant date.

- On September 30, 2021, the Company granted a stock option agreement to an employee to purchase 4,000 shares of Common Stock at an exercise price of $26.50 per share. The options vest over a period of three years and expire on the tenth anniversary of the grant date.

- On November 29, 2021, the Company granted a stock option agreement to a consultant to purchase 4,000 shares of Common Stock at an exercise price of $21.25 per share. The options vest over a period of eight months commencing in April 2022 and expire on the tenth anniversary of the grant date.

- On December 9, 2021, the Company granted stock option agreements to various directors to purchase an aggregate of 34,880 shares of Common Stock at an exercise price of $17.25 per share. The options vest over a period of one year commencing in January 2022 and expire on the tenth anniversary of the grant date.

- On January 16, 2022, the Company granted stock option agreements to two consultants to purchase an aggregate of 1,200 shares of Common Stock at an exercise price of $13.00 per share. The options vest over a period of 12 months and expire on the tenth anniversary of the grant date.

- On February 21, 2022, the Company granted a stock option agreement to an employee to purchase 16,000 shares of Common Stock at an exercise price of $8.50 per share. The options vest over a period of three years and expire on the tenth anniversary of the grant date.

- On March 28, 2022, the Company granted stock option agreements to two employees to purchase an aggregate of 8,000 shares of Common Stock at an exercise price of $11.50 per share. The options vest over a period of three years and expire on the tenth anniversary of the grant date.

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 4,000 shares of the Company's common stock at an exercise price of $51.25 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 18,600 shares of the Company's common stock at an exercise price of $36.25 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 600 shares of the Company's common stock at an exercise price of $36.75 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 24,000 shares of the Company's common stock at an exercise price of $36.75 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 14,000 shares of the Company's common stock at an exercise price of $35.75 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 120,000 shares of the Company's common stock at a price of $34.25 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 10,800 shares of the Company's common stock at exercise prices of $32.25 to $41.25 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 9,000 shares of the Company's common stock at exercise prices of $35.25 to $39.25 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.

The following table summarizes all stock option activity during the years ended June 30, 2022 and 2021:

	Stock Options	Weighted-average Exercise Price	Weighted-average Remaining Contractual Term (in years)	Aggregate Intrinsic Value (in thousands)
Outstanding as of July 1, 2020	139,031	$ 29.50	8.2	$ 4,042
Granted	209,600	36.00	—	—
Exercised	(2,147)	25.50	—	—
Forfeited/expired	(4,798)	61.25	—	—
Outstanding as of June 30, 2021	341,686	$ 32.75	8.8	$ 1,995
As of June 30, 2020, vested and expected to vest	340,814	$ 32.75	8.3	$ 1,988
Exercisable as of June 30, 2021	77,338	$ 27.75	6.4	$ 890
Outstanding as of June 30, 2021	341,686	$ 32.75	8.8	$ 1,995
Granted	313,568	27.50	—	—
Exercised	(3,380)	22.75	—	—
Forfeited/expired	(30,068)	35.00	—	—
Outstanding as of June 30, 2022	621,806	$ 30.00	8.3	$ —
As of June 30, 2021, vested and expected to vest	197,404	$ 30.00	8.3	$ —
Exercisable as of June 30, 2022	620,810	$ 29.25	6.7	$ —

The following table summarizes information about options outstanding and exercisable at June 30, 2022:

	Options Outstanding and Exercisable			
	Number Outstanding	Weighted-Average Remaining Life In Years	Weighted-Average Exercise Price	Number Exercisable
Exercise prices:				
$8.50 - $13.00	25,200	9.7	$ 9.75	500
$17.25 - $26.00	112,662	6.4	21.00	85,152
$26.50 - $39.75	463,791	8.6	32.50	101,932
$41.25 - $62.00	20,000	8.3	47.25	9,667
$63.25 - $95.00	20	5.9	63.25	20
$182.50 - $273.75	133	0.4	182.50	133
	621,806	8.3	$ 28.31	197,404

The total fair value of stock options that vested during 2022 and 2021 was approximately $3,334,000 and $911,000, respectively. The total cash received for stock options that were exercised during 2022 and 2021 was approximately $77,000 and $54,000, respectively. The total intrinsic value of stock options that were exercised during 2022 and 2021 was approximately $19,000 and $165,000, respectively. As of June 30, 2022, there was approximately $9,962,000 of total unrecognized compensation cost related to non-vested stock options that the Company expects to recognize over a weighted-average period of 2.7 years.

The weighted-average grant date fair value of stock options granted during 2022 and 2021 was $23.25 and $31.25 per share, respectively. The Company estimated the fair value of options granted using the Black-Scholes option pricing model with the following assumptions:

	2022	2021
Weighted average risk-free interest rate	0.80% - 2.52 %	0.39 - 1.02 %
Dividend yield	0 %	0 %
Volatility	119.16 - 120.34 %	119.46 - 126.55 %
Expected term (in years)	6	6

The aggregate intrinsic value in the table above represents the total intrinsic value, based on the Company's closing stock price of $6.50 as of June 30, 2022 and $37.75 as of June 30, 2021, which would have been received by the option holders had all option holders exercised their options as of that date.

Restricted Stock Units ("RSUs"):

Issuances of RSUs during the year ended June 30, 2022 were as follows:

On August 23, 2021, the Company issued RSUs to acquire 4,229 shares of Common Stock to various employees at a market value of $31.50 per share. The RSUs vest over a four-year period. The grant-date fair value of the RSUs totaled approximately $133,000.

Issuances of RSUs during the year ended June 30, 2021 were as follows:

Effective December 1, 2020, the Company issued RSUs to acquire 12,360 shares of common stock to an officer at a market value of $36.25 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 2,600 shares of common stock to an employee at a market value of $36.75 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 9,280 shares of common stock to an officer at a market value of $35.75 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 200,000 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 1,600 shares of common stock to an employee at a market value of $32.25 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, 2022, there was approximately $561,000 of total unrecognized compensation cost related to non-vested RSUs that the Company expects to recognize over a weighted-average period of 1.6 years.

20. Fraunhofer 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 Fiscal 2021. During the quarter ended March 31, 2022, the Company received the first payment of $5,100,000.

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

As of June 30, 2022, the Company holds a settlement receivable balance of $5,100,000 related to the settlement and a trade receivable balance of $900,000 related to the license agreement.

21. Related Party Transactions

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 are billed at $5,800 per month. 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. Consulting expenses totaled approximately $52,000 for the year ended June 30, 2021.

22. Income Taxes

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

	For the Years Ended June 30,	
	2022	2021
United States	$ (50,304)	$ (23,200)
Brazil	—	(13)
Total	$ (50,304)	$ (23,213)

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

	For the Years Ended June 30,	
	2022	2021
Current – Federal and state	$ —	$ —
Deferred – Federal	(9,051)	(55)
Deferred – State	—	—
Total	(9,051)	(55)
Change in valuation allowance	9,051	55
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,	
	2022	2021
Deferred tax assets (liabilities):		
Net operating loss	$ 35,829	$ 24,693
Share-based compensation	1,248	353
Research and development tax credits	1,764	1,737
Investment in equity security	370	—
Basis in iBio CDMO	—	984
Property, plant and equipment	(2,520)	—
Intangible assets	(71)	(91)
Vacation accrual and other	145	38
Valuation allowance	(36,765)	(27,714)
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 $170.5 million are available to the Company as of June 30, 2022, of which $63.9 million will expire at various dates through 2039 and $106.6 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 $1.76 million at June 30, 2022.

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

	Years Ended June 30,	
	2022	2021
Statutory federal income tax rate	21 %	21 %
Change related to iBio CDMO	(3)%	— %
Change in valuation allowance	(18)%	(21)%
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 2018 through 2021 tax returns generally remain open to examination by U.S. Federal authorities and by state tax authorities. In addition, the 2015 through 2021 Brazilian federal tax returns remain open to examination by Brazil's federal tax authorities.

23. 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. In July 2022 after we experienced a rise in COVID-19 cases within our Texas facility, for approximately one week, we mandated only those involved in mission critical manufacturing activities were to be permitted within our Texas facility.

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.

War in Ukraine

On February 24, 2022, Russia launched an invasion of Ukraine which has resulted in increased volatility in various financial markets and across various sectors. The United States and other countries, along with certain international organizations, have imposed economic sanctions on Russia and certain Russian individuals, banking entities and corporations as a response to the invasion. The extent and duration of the military action, resulting sanctions and future market disruptions in the region are impossible to predict. Moreover, the ongoing effects of the hostilities and sanctions may not be limited to Russia and Russian companies and may spill over to and negatively impact other regional and global economic markets of the world, including Europe and the United States. Presently, the Company does not have any existing Russian suppliers or contractors. While it is difficult to estimate the impact of current or future sanctions on the Company's business and financial position, or global supply chains or service provisions that could have an impact on the availability or price of goods and services that the Company requires, the Company is not aware of any company-specific risks related to the war in Ukraine at this time.

24. 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 $319,000 and $121,000 for the years ended June 30, 2022 and 2021, respectively.

25. 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, 2022 (in thousands)	Biopharmaceuticals iBio, Inc.	Bioprocessing iBio CDMO	Eliminations	Total
Revenues - external customers	$ 1,884	$ 499	$ —	$ 2,383
Revenues - intersegment	1,586	2,455	(4,041)	—
Cost of goods sold	—	216	—	216
Gross profit	3,470	2,739	(4,041)	2,167
Research and development	11,819	8,260	(2,350)	17,729
General and administrative	20,844	14,975	(1,691)	34,128
Operating loss	(29,194)	(20,496)	—	(49,690)
Interest expense	—	(1,412)	—	(1,412)
Forgiveness of note payable and accrued interest	—	607	—	607
Interest and other income	184	7	—	191
Consolidated net loss	(29,010)	(21,295)	—	(50,305)
Total assets	156,893	43,092	(100,578)	99,407
Finance lease ROU assets	—	74	—	74
Operating lease ROU assets	3,068	1,952	—	5,020
Fixed assets, net of accumulated depreciation	1,373	35,288	—	36,661
Intangible assets, net of accumulated amortization	4,851	—	—	4,851
Amortization of ROU assets	—	599	—	599
Depreciation expense	—	2,275	—	2,275
Amortization of intangible assets	401	—	—	401

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 expense	—	472	—	472
Amortization of intangible assets	291	—	—	291

26. Subsequent Events

Exploration of Opportunities and Restructuring

On September 21, 2022, the Company announced that in an effort to focus its resources on the promising new discovery platform and entering the clinic with its lead compounds, iBio has initiated a review of opportunities to accelerate its transformation while extending its cash runway. These include asset sales or licenses, partnerships, portfolio decisions, cost reductions, and non-dilutive efforts to raise additional capital with the goal to extend its cash runway and to focus its resources on its immune-oncology pipeline and AI-driven discovery platform.

No timetable has been established for the completion of these efforts, and the Company does not expect to disclose developments unless and until there is material information to share or the Board of Directors has concluded that disclosure is appropriate or required.

On September 16, 2022, we entered into an asset purchase agreement with RubrYc Therapeutics, Inc. ("RubrYc") described in more detail below:

The Company entered into an Asset Purchase Agreement (the "Purchase Agreement") with RubrYc pursuant to which it acquired substantially all of RubrYc's assets in consideration of the issuance of 102,354 shares of the Company's common stock valued at approximately $1,000,000 (the "Closing Shares") and potential additional payments of up to $5,000,000 upon the achievement of specified developmental milestones on or before the fifth anniversary of the closing date, payable in cash or shares of the Company's stock, at the Company's option. The assets acquired include an AI drug discovery platform, all rights with no future milestone payments or royalty obligations, to IBIO-101, and three immuno-oncology candidates plus a partnership-ready PD-1 agonist. The Purchase Agreement contains representations, warranties and covenants of RubrYc Therapeutics and the Company. The acquisition closed on September 19, 2022 after receipt of approval of the NYSE American.

On September 19, 2022, we entered into a termination agreement with RubrYc described in more detail below:

In connection with the closing of the Purchase Agreement, on September 19, 2022, the Company and RubrYc agreed to terminate the Collaboration, Option and License Agreement, dated August 23, 2021, by and between the Company and RubrYc and the Collaboration and License Agreement, dated August 23, 2021, by and between the Company and RubrYc.

Issuances of stock options during Fiscal 2023 were as follows:

In Fiscal 2023, the Company granted stock option agreements to certain officers and employees to purchase an aggregate of 303,868 shares of Common Stock at exercise prices ranging between $6.75 and $9.50 per share. The options vest over a period of three years and expire on the tenth anniversary of the grant date.

Issuances of RSUs during Fiscal 2023 were as follows:

In Fiscal 2023, the Company issued RSUs to acquire 6,954 shares of common stock to various employees at a market value of $7.00 per share. The RSU's vest over a four-year period. The grant-date fair value of the RSUs totaled approximately $49,000.

Vesting of RSUs during Fiscal 2023 were as follows:

On August 23, 2022, RSUs for 1,057 shares of Common Stock were vested.

At-the market Facility Use

- Between July 25, 2022, and August 17, 2022, Cantor Fitzgerald sold as sales agent pursuant to the Sales Agreement 175,973 shares of Common Stock. We received net proceeds of approximately $1.2 million (see Note 17 Stockholders' Equity for more detail).

Amendment to the Credit Agreement with Woodforest National Bank.

On October 11, 2022, we and Woodforest amended the Credit Agreement to: (i) include a payment of $5,500,000 of the outstanding principal balance owed under the Credit Agreement on the date of the amendment, (ii) include a payment of $5,100,000 of the outstanding principal balance owed under the Credit Agreement within two (2) business days upon our receipt of such amount owed to us by Fraunhofer as part of our legal settlement with them (see Item 3 – Legal Proceedings for more information), (iii) include principal payments of $250,000 per month in debt amortization for a 6 month period commencing the date of the amendment through March 2023, (iv) include an amendment fee of $22,375 and all costs and expenses, (v) require delivery of a report detailing cash flow expenditures every two (2) weeks for the period prior to the delivery of the last report and a monthly 12-month forecast (vi) reduce the liquidity covenant in the Guaranty (as defined in the Credit Agreement) from $10 million to $7.5 million with the ability to lower the liquidity covenant to $5.0 million upon the occurrence of a specific milestone in the Credit Agreement, and (vii) change the annual filing requirement solely for the fiscal year ending June 30, 2022, such that the filing is acceptable with or without a "going concern" designation. In addition, Woodforest cancelled the irrevocable letter of credit issued by JPMorgan Chase Bank upon closing of the amendment. If we fail to successfully extend our cash runway via strategic options or other alternatives as described we would be in violation of the liquidity covenant on December 31, 2022.

Exhibit 10.51

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

FIRST AMENDMENT TO CREDIT AGREEMENT

THIS FIRST AMENDMENT TO CREDIT AGREEMENT (this "***First Amendment***") is entered into as of the First Amendment Closing Date (as defined below) by and between **IBIO CDMO LLC,** a Delaware limited liability company ("***Borrower***"), and **WOODFOREST NATIONAL BANK**, a national banking association, as lender (in such capacity, "***Lender***").

RECITALS

A. Borrower and Lender entered into that certain Credit Agreement dated November 1, 2021 (as amended, restated, supplemented or modified from time to time, the "***Credit Agreement***").

B. Borrower and Lender have agreed to enter into certain agreements and amendments to certain provisions of the Credit Agreement and the other Loan Documents.

C. Borrower and Lender are willing to enter into the requested agreements and amendments set forth herein, subject to and conditioned upon the terms and conditions set forth in this First Amendment.

AGREEMENT

NOW, THEREFORE, in consideration of the promises herein contained, the mutual benefits to be derived herefrom and other good and valuable consideration received by each party, and each intending to be legally bound hereby, the parties agree as follows:

I. Agreements and Amendments to Credit Agreement. Borrower and Lender agree as follows:

(a) Section 1.1, Definitions, of the Credit Agreement is hereby amended by adding the following definitions in their proper alphabetical order:

"***First Amendment***" means the First Amendment to Credit Agreement dated as of the First Amendment Closing Date by and between Borrower and Lender.

"***First Amendment Closing Date***" means October 11, 2022.

"***Fraunhofer***" means Fraunhofer USA, Inc. a Rhode Island not-for-profit corporation.

"***Fraunhofer Letter of Credit***" means that certain Irrevocable Standby Letter of Credit [***] dated May 6, 2021 naming Deutsche Bank AG New York Branch, as the Issuer, for the account of Fraunhofer, as the Applicant, in favor of the Parent Guarantor, as the Beneficiary.

"***Fraunhofer Settlement Agreement***" means that certain Confidential Settlement Agreement and Mutual Release dated April 30, 2021 by and between the Parent Guarantor and Fraunhofer addressing and documenting, among other things, the agreed payment of the Fraunhofer Settlement Amount by Fraunhofer to Parent Guarantor on the date specified therein.

"***Fraunhofer Settlement Amount***" means the aggregate amount of $5,100,000 as further described in Section 1(c) of the Fraunhofer Settlement Agreement, and, for the avoidance of doubt, referred to as the "Second Installment" in the Fraunhofer Letter of Credit.

(b) Section 1.1, Definitions, of the Credit Agreement is hereby amended by deleting the definition of "Letter of Credit" and each instance where such definition is used in the Credit Agreement, including the Schedules to the Credit Agreement, and the other Loan Documents.

(c) Section 3.2, Term Loan Payments

, of the Credit Agreement is hereby amended by amending and restating clause (b) of such section in its entirety to read as follows:

> (b) Principal payments on the Term Principal Amount in the amount of $250,000 are due and payable on the fifth (5th) day of each month, commencing for the month of October 2022 on the First Amendment Closing Date, and continuing on the fifth (5th) day of each month thereafter through and including the month of March 2023 for a total payment amount of $1,500,000.00. The outstanding Term Principal Amount, and all accrued and unpaid interest thereon, is due and payable in full on the Maturity Date.

(d) Section 6.4, Letter of Credit

, of the Credit Agreement is hereby deleted in its entirety.

(e) Section 8.1, Items to be Furnished

, of the Credit Agreement is hereby amended (i) for any fiscal year, by amending sub clause (a)(i) of such section to (x) delete the two references therein to "and consolidating" and (y) to add the following proviso at the end of such sub clause to read: "; provided that Borrower shall furnish, or cause to be furnished, to Lender, together with the foregoing deliveries, the statements of income of Borrower as of the end of and for such fiscal year, in Proper Form"; and (ii) solely for the fiscal year ending June 30, 2022, by amending and restating sub clause (a)(i) of such section in its entirety to read as follows:

> (a)(i) Annual Financial Statements. No later than 120 days after the last day of each fiscal year of Parent Guarantor, the audited balance sheet and related statements of income, retained earnings, and cash flows of Parent Guarantor and its Subsidiaries (including Borrower), showing the consolidated financial condition and results of operations of Parent Guarantor and its Subsidiaries (including Borrower) as of the end of and for such fiscal year, in each case setting out in comparative form the figures for the previous fiscal year, all reported on by a firm of independent certified

public accountants of recognized national or regional standing and accompanied by a report from such independent certified public accountants confirming that such consolidated financial statements were prepared in accordance with GAAP consistently applied and present fairly, in all material respects, the consolidated financial condition and results of operations of Parent Guarantor and its Subsidiaries; provided that Borrower shall furnish, or cause to be furnished, to Lender, together with the foregoing deliveries, the statements of income of Borrower as of the end of and for such fiscal year, in Proper Form.

(f) Section 8.1, Items to be Furnished

, of the Credit Agreement is hereby amended for each fiscal quarter, including, for the avoidance of doubt, the fiscal quarter ended September 30, 2022, by amending and restating sub clause (a)(ii) of such section in its entirety to read as follows:

(a)(ii) Interim Financial Statements. Promptly after preparation, and no later than 45 days after the last day of each March, June, September and December, the unaudited balance sheet and related statements of income, retained earnings, and cash flows of Parent Guarantor and its Subsidiaries (including Borrower), prepared by Parent Guarantor, showing the consolidated financial condition and results of operations of Parent Guarantor and its Subsidiaries (including Borrower) as of the end of and for such period and the then-elapsed portion of the fiscal year, in each case setting out in comparative form the figures for the corresponding period or periods of (or, in the case of the balance sheet, as of the end of) the previous fiscal year, all certified by a Responsible Officer of Parent Guarantor and, as to its consolidated financial statements, of Borrower as presenting fairly in all material respects the financial condition and result of operations of Parent Guarantor and its Subsidiaries on a consolidated basis in accordance with GAAP consistently applied; provided that Borrower shall furnish, or cause to be furnished, to Lender, together with the foregoing deliveries, the statements of income of Borrower as of the end of and for such fiscal quarter, in Proper Form.

(g) Section 8.1, Items to be Furnished

, of the Credit Agreement is hereby amended by adding a new section (h) at the end of such section to read as follows:

(h) Cash Flow. Every other Friday, commencing on the first Friday after the First Amendment Closing Date, (i) a report detailing cash flow expenditures of Borrower and Parent Guarantor for the two weeks prior to such date and (b) an updated monthly cash flow forecast with respect to Borrower and Parent Guarantor covering the following twelve months from such date, in each case, in Proper Form.

(h) Section 11.11, Letter of Credit

, of the Credit Agreement is hereby deleted in its entirety.

(i) Guaranty First Amendment. Borrower and Lender hereby acknowledge the Guaranty First Amendment as set forth in the Guarantor's Consent and Agreement and Amendment attached to this First Amendment and agree that such Guaranty First Amendment shall be effective as of the First Amendment Closing Date.

(j) Fraunhofer Settlement Payment. Borrower shall pay, or shall request and cause Parent Guarantor to pay, within two (2) Business Days of Parent Guarantor's receipt of payment from Fraunhofer, or, as and if applicable, pursuant to the Fraunhofer Letter of Credit, of the Fraunhofer Settlement Amount the full amount of such Fraunhofer Settlement Amount to Lender, without any setoffs, counterclaims or holdbacks of any sort. Upon Parent Guarantor's receipt of payment from Fraunhofer, or, as and if applicable, pursuant to the Fraunhofer Letter of Credit, of the Fraunhofer Settlement Amount, any failure of Borrower to pay, or any failure of Borrower to request and cause Parent Guarantor to pay, the full amount of such Fraunhofer Settlement Amount to Lender, within the time period provided in the previous sentence, shall be an immediate Default under the Credit Agreement, without the benefit of any grace periods. Borrower agrees and acknowledges that to the extent Parent Guarantor does not receive payment directly from Fraunhofer, or, as and if applicable, pursuant to the Fraunhofer Letter of Credit, of the Fraunhofer Settlement Amount when due, then Lender, to the extent Lender has been named and appointed as Beneficiary under the Fraunhofer Letter of Credit, in Lender's capacity as Beneficiary, may make demand for payment of the Fraunhofer Settlement Amount under the Fraunhofer Letter of Credit. For the avoidance of doubt, Lender, to the extent Lender has been named and appointed as Beneficiary under the Fraunhofer Letter of Credit, is fully authorized to make such demand for payment under the Fraunhofer Letter of Credit. From and after the First Amendment Closing Date until Lender receives the full amount of the Fraunhofer Settlement Amount, or Lender otherwise receives such payment in its capacity as Beneficiary under the Fraunhofer Letter of Credit, Borrower shall (a) provide prompt notice to Lender of any correspondence or documentation received or submitted by Parent Guarantor or Borrower in respect of the Fraunhofer Settlement Agreement and any matters related thereto, (b) not enter into, or shall not permit Parent Guarantor to enter into, any amendments or make any changes to the Fraunhofer Settlement Agreement, without the prior written consent of Lender, and (c) shall provide written updates on a weekly basis, or at such additional times as requested by Lender, with respect to Borrower's and Parent Guarantor's efforts to name Lender as, and replace Parent Guarantor as, the Beneficiary under the Fraunhofer Letter of Credit. For the avoidance of doubt, until such time as Lender (i) is named as Beneficiary under the Fraunhofer Letter of Credit, if at all, and (ii) receives full payment, if ever, with respect to the Fraunhofer Settlement Amount pursuant to a draw under the Fraunhofer Letter of Credit, the payment obligations of Borrower and Parent Guarantor, as applicable, to Lender with respect to the Fraunhofer Settlement Amount set forth in this Section I(j) shall be secured by the Security Documents for all purposes.

(k) JPM Letter of Credit. Borrower and Lender agree and confirm that, as of the First Amendment Closing Date, the Letter of Credit is hereby released and terminated and is of no further force and effect; provided, that on the First Amendment Closing Date, Lender shall have provided a signed and dated letter to JPM stating that the Letter of Credit is released and terminated and no longer required or words of such effect and Borrower shall have provided any other required documentation as may be requested by JPM.

II. Conditions Precedent to the Effectiveness of First Amendment. This First Amendment shall be effective upon the satisfaction of the following conditions precedent:

(a) Lender shall have received this First Amendment duly executed by Borrower and Parent Guarantor;

(b) Lender shall have received an Officer's Certificate and authorizing consent for each of Borrower and Parent Guarantor, in Proper Form;

(c) Lender shall have provided a signed and dated letter to JPM stating that the Letter of Credit is released and terminated and no longer required or words of such effect; and Borrower shall have provided to JPM such other required documentation to obtain evidence of the full release and termination of the Letter of Credit;

(d) Lender shall have received satisfactory documentation to evidence that Parent Guarantor has submitted an irrevocable request that Lender be named as, and replace Parent Guarantor as, the Beneficiary under the Fraunhofer Letter of Credit;

(e) Lender shall have received (i) a principal payment in the amount of $5,500,000 and (ii) the initial principal payment in the amount of $250,000 pursuant to Section 3.2(b) of the Credit Agreement as amended hereby;

(f) the Borrower shall have paid to Lender (i) an amendment fee in the amount of $22,375.00, (ii) any other fees and expenses due and owing under the Credit Agreement, and (iii) all costs and expenses, including reasonable legal fees, payable in connection with this First Amendment to the extent invoiced on or prior to the First Amendment Closing Date;

(g) after giving effect to this First Amendment, no Potential Default or Default shall have occurred and be continuing; and

(h) after giving effect to this First Amendment, no Material Adverse Effect shall have occurred since the Closing Date.

III. Post-Closing Deliverables; Fraunhofer Letter of Credit.

(a) Notwithstanding anything to the contrary in any Loan Document, no later than thirty (30) days (or such longer period of time agreed to by Lender in its discretion acting reasonably) following the First Amendment Closing Date, Lender shall have received (a) evidence of the full release and termination of the Letter of Credit and (b) satisfactory documentation to evidence that Lender has been named as, and replaced Parent Guarantor as, the Beneficiary under the Fraunhofer Letter of Credit. Any failure by Borrower and/or Parent Guarantor to satisfy the foregoing requirements with respect to the Fraunhofer Letter of Credit within the time period provided will constitute an immediate Default under the Credit Agreement without the benefit of any grace periods; provided, however, that if after undertaking best efforts to name Lender as the Beneficiary under the Fraunhofer Letter of Credit, Borrower determines in its reasonable judgment that it will not be able, due to lack of third party cooperation or such other reason out of its control, to have Lender named as the Beneficiary under the Fraunhofer Letter of Credit and then delivers a written notice to Lender confirming same, then from and after the time of delivery of such notice, no Default shall have occurred with regard to Borrower's failure to have Lender named as Beneficiary under the Fraunhofer Letter of Credit. Nothing in the preceding sentence will have any effect on Borrower's or Parent Guarantor's obligation, as applicable, to Lender to satisfy the payment requirements set forth in Section I(j).

(b) To the extent all Obligations under the Loan Documents have been paid in

full and, at such time, Lender is named as Beneficiary under the Fraunhofer Letter of Credit, then Lender agrees to take all necessary actions to release and terminate or otherwise return to Deutsche Bank AG New York Branch such Fraunhofer Letter of Credit and shall not make any draws thereunder.

IV. Reaffirmation of Representations and Warranties. To induce Lender to enter into this First Amendment, Borrower hereby reaffirms, as of the First Amendment Closing Date (except as otherwise provided herein or to the extent such representations and warranties speak as to an earlier date or a date certain), its representations and warranties contained in Section 7 of the Credit Agreement, and in all other documents executed pursuant thereto, and additionally represents and warrants as follows:

(a) The execution and delivery of this First Amendment and the performance by Borrower of its obligations under this First Amendment are within Borrower's power, have been duly authorized by all necessary company action, have received all necessary governmental approval (if any shall be required), and do not and will not contravene or conflict with any provision of law or of the Organizational Documents of Borrower or of any agreement binding upon Borrower.

(b) This First Amendment represents the legal, valid and binding obligations of Borrower enforceable against Borrower in accordance with its terms subject as to enforcement only to bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the enforcement of creditors' rights generally.

(c) After giving effect to this First Amendment, since the Closing Date, and, solely with respect to the last sentence of Section 7.10 of the Credit Agreement, since delivery of the financial forecast delivered by Borrower to Lender on September 30, 2022, no change, event or state of affairs has occurred and is continuing which would constitute a Potential Default or a Default.

(d) No exhibit or schedule to the Credit Agreement is required to be supplemented, amended or modified in connection with the transactions contemplated by this First Amendment.

V. Defined Terms. Terms used herein that are defined in the Credit Agreement, as amended hereby, shall have the same meanings herein, unless the context otherwise requires.

VI. Reaffirmation of Credit Agreement. This First Amendment shall be deemed to be an amendment to the Credit Agreement, and the Credit Agreement, as amended hereby, is hereby ratified, adopted and confirmed in each and every respect.

VII. Ratification of Liens; Release. The Borrower acknowledges and ratifies, as of the First Amendment Closing Date, the existence and priority of the Liens granted by the Borrower in favor of Lender pursuant to the Security Documents in and to the Collateral and represents, warrants and covenants that such Liens are valid, existing and in full force and effect. THE BORROWER HEREBY RELEASES, DISCHARGES AND ACQUITS LENDER FROM ANY AND ALL CLAIMS, DEMANDS, ACTIONS, CAUSES OF ACTION, REMEDIES, AND LIABILITIES OF EVERY KIND OR NATURE (INCLUDING WITHOUT LIMITATION,

LENDER LIABILITY) ARISING OUT OF ANY ACT, OCCURRENCE, TRANSACTION OR OMISSION OCCURRING IN CONNECTION WITH THE CREDIT AGREEMENT AND THE OTHER LOAN DOCUMENTS PRIOR TO THE FIRST AMENDMENT CLOSING DATE.

VIII. Governing Law. THIS FIRST AMENDMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS.

IX. Invalid Provisions. If any provision of this First Amendment is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this First Amendment shall not be affected or impaired thereby and (b) the parties shall engage in good faith negotiations to replace the illegal, invalid or unenforceable provisions, with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

X. Multiple Counterparts and Electronic Signatures. This First Amendment may be executed in any number of counterparts with the same effect as if all signatories had signed the same document. All counterparts must be construed together to constitute one and the same instrument. This First Amendment may be transmitted and signed by facsimile, portable document format (PDF), or other electronic means, and shall have the same effect as manually-signed originals and shall be binding on the Loan Parties and Lender, with originals signatures to be delivered to Lender at Lender's request.

XI. Section Headings. Section headings in this First Amendment are included for convenience of reference only and shall not affect the interpretation of this First Amendment.

XII. Successors and Assigns. This First Amendment is binding upon, and inures to the benefit of, the parties hereto and their respective successors and permitted assigns.

XIII. ENTIRETY. THIS FIRST AMENDMENT REPRESENTS THE FINAL AGREEMENT AMONG BORROWER, GUARANTORS AND LENDER AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS BY BORROWER, GUARANTORS AND LENDER. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG BORROWER, GUARANTORS AND LENDER.

[Signature pages follow.]

IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to be duly executed on the First Amendment Closing Date.

BORROWER:

IBIO CDMO LLC,
a Delaware limited liability company

By: /s/ Robert Lutz
Robert Lutz
Authorized Person

LENDER:

WOODFOREST NATIONAL BANK

By: /s/Cameron D. Jones
Cameron D. Jones
Senior Vice President

Signature Page to First Amendment to Credit Agreement

GUARANTOR'S CONSENT AND AGREEMENT AND AMENDMENT

As an inducement to Lender to execute, and in consideration of Lender's execution of, this First Amendment, IBIO, INC., a Delaware corporation ("***Guarantor***"), hereby consents to this First Amendment, and agrees that this First Amendment shall in no way release, diminish, impair, reduce or otherwise adversely affect the obligations and liabilities of the undersigned under the Guaranty executed November 1, 2021 (as further amended by the Guaranty First Amendment as defined below, the "***Guaranty***") executed by Guarantor in connection with the Credit Agreement. Guarantor further represents and warrants to Lender that (a) the representations and warranties in the Guaranty are true and correct in all material respects on and as of the First Amendment Closing Date as though made on such date (except to the extent that such representations and warranties specifically relate to an earlier date), (b) after giving effect to this First Amendment and the Guaranty First Amendment, it is in full compliance with all covenants and agreements contained in the Guaranty, (c) after giving effect to this First Amendment and the Guaranty First Amendment, no Potential Default or Default has occurred and is continuing under the Guaranty and (d) the execution and delivery of this Guarantor's Consent and Agreement and Amendment are within Guarantor's power and have been duly authorized by all necessary company action. This Guarantor's Consent and Agreement and Amendment shall be binding upon Guarantor, and its successors and permitted assigns, and shall inure to the benefit of Lender, and its successors and permitted assigns.

The liquidity covenant contained in ***Section 18*** of the Guaranty is hereby amended, as of the First Amendment Closing Date, as set forth below (herein, the "***Guaranty First Amendment***"). Section 18, Liquidity, of the Guaranty is hereby amended by amending and restating such section in its entirety to read as follows:

> 18. Liquidity. Guarantor shall not permit at any time its Unrestricted Cash balance to be less than (a) $7,500,000, or (b) [***] $5,000,000. Such Unrestricted Cash balance requirement shall be tested as of (i) the First Amendment Closing Date, (ii) the last day of each fiscal quarter of Guarantor, commencing with the fiscal quarter ended December 31, 2022, and (iii) at such other times requested by Lender in writing. The Unrestricted Cash balance shall be deposited and maintained in such account(s) agreed to in writing by Guarantor and Lender.

[Signature Page Follows]

GUARANTOR:

IBIO, INC.,
a Delaware corporation

By: /s/ Robert Lutz
Robert Lutz
Chief Financial and Business Officer

Signature Page to Guarantor's Consent and Agreement and Amendment to
First Amendment to Credit Agreement

Exhibit 21.1

Subsidiaries of Registrant

iBio Manufacturing LLC ("iBio Manufacturing") is wholly-owned and incorporated in Delaware

iBio CDMO LLC ("iBio CDMO") is wholly-owned and incorporated in Delaware. 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, which includes an explanatory paragraph relating to the Company's ability to continue as a going concern, dated October 11, 2022, on our audits of the consolidated financial statements of iBio, Inc. and Subsidiaries as of June 30, 2022 and 2021 and for the years then ended, included in this Annual Report on Form 10-K of iBio, Inc. for the year ended June 30, 2022. 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
October 11, 2022

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, 2022;

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: October 11, 2022

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, 2022;

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: October 11, 2022

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, 2022 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.

October 11, 2022

/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, 2022 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.

October 11, 2022

/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.