United States
Healthcare

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60 Degrees Pharmaceuticals, Inc.

Initiating Coverage with BUY and $2.40 Price Target

60 Degrees Pharmaceuticals' FDA-approved Malaria prophylactic has shown promise against new indications including COVID, providing a powerful catalyst for stock value over the medium term.

COVERAGE INITIATION

Rating: BUY

Ticker: SXTP

Price: $0.78

Target: $2.40

Initiating with BUY: We are initiating coverage of 60 Degrees Pharmaceuticals, Inc. with a BUY rating. 60 Degrees Pharmaceuticals, Inc. is a drug company specializing in anti-viral treatments for major infectious diseases. The company's first product, ARAKODA is an FDA-approved prophylaxis for Malaria, and has shown promise against COVID and tick-borne diseases.

Risk-reduced strategy to bring drugs to market for a fraction of the typical cost: 60 Degrees Pharmaceuticals' business model involves building productive research partnerships with public and academic entities to repurpose licensed products with well-characterized safety profiles in prior clinical studies. Through its partnership with the US Army, the company was able to get marketing approval for its first product, ARAKODA, for < $10 million, compared to $1 billion or more for many novel therapeutics.

Malaria prevention is a large opportunity: Each year, 600,000+ people die from Malaria. The company's current focus, prophylaxis for US travelers, has the potential to become a $50 million market for the company.

Tafenoquine is highly efficacious against COVID-19: In a phase IIA trial of Tafenoquine for COVID, time to recovery was reduced from 7 days to 3 days, a result that exceeded the results of the current standard of care, Paxlovid.

Tafenoquine Phase IIB COVID trials key for stock: The leading oral antivirals, Lagevrio and Paxlovid are indicated only for patients at high risk of death, leaving a large market gap for treatment of patients at moderate to low risk. The company intends to undertake a second study to prove the efficacy of Tafenoquine for the estimated 25% of the population which is excluded from the use of standard anti-viral drugs due to having a lower risk profile. Current plans are to submit a revised IND in Q4 2023 following a feasibility study to determine whether the company will be able to meet FDA requirements for design of the study. If all goes well, the company will undertake Phase IIB trials in 2024. We believe milestone progress for these trials will be the key catalyst for the stock in the near term.

Tafenoquine for COVID could be a multi-billion-dollar opportunity: Given the higher-risk COVID population is estimated to represent a $12 billion market, the company believes that Tafenoquine for lower-risk COVID patients could be a multi-billion-dollar market as well.

Recent IPO provides funding for at least a year: On July 12, 60 Degrees Pharmaceuticals listed on the Nasdaq, raising $6.5 million. Based on the company's current burn rate of <$1 million per quarter, IPO proceeds should last well into 2024, when the company plans to conduct its Phase IIB COVID trial. The company also managed to convert virtually all its debt to equity during the IPO, leaving its balance sheet unencumbered.

12-month price target of $2.40 based on a NPV analysis: SXTP is currently trading below net cash value, underlining favorable risk/reward. We calculate a 12-month price target for shares of SXTP of $2.40. This is based on a NPV analysis, representing 208% upside from the current share price. We believe this valuation appropriately balances out the company's high risks with the company's high growth prospects and large upside opportunities.

Company Description

Based in Washington, DC, 60 Degrees Pharmaceuticals, Inc. is a drug company specializing in therapeutics for major infectious diseases.

Stock Data

Exchange:	NasdaqCM
52-week Range:	$0.70-8.65
Shares Outstanding (million):	5.8
Market cap ($million):	$4.5
EV ($million):	($1.2)
Debt ($million):	$0.2
Cash ($million):	$5.9
Avg. Daily Trading Vol. ($ million):	$0.8
Float (million shares):	3.1
Short Interest (million shares):	0.02
Dividend, annual (yield):	NA

Revenues (US$ million)

	2022A (Cur.)	2023E (Cur.)	2024E (Cur.)
Q1 Mar	0.2A	0.0A	0.1E
Q2 Jun	0.0A	0.1A	0.2E
Q3 Sep	0.3A	0.1E	0.2E
Q4 Dec	0.0A	0.1E	0.3E
Total	**0.5A**	**0.3E**	**0.8E**
EV/Revs	NM	NM	NM

Earnings per Share (pro forma)

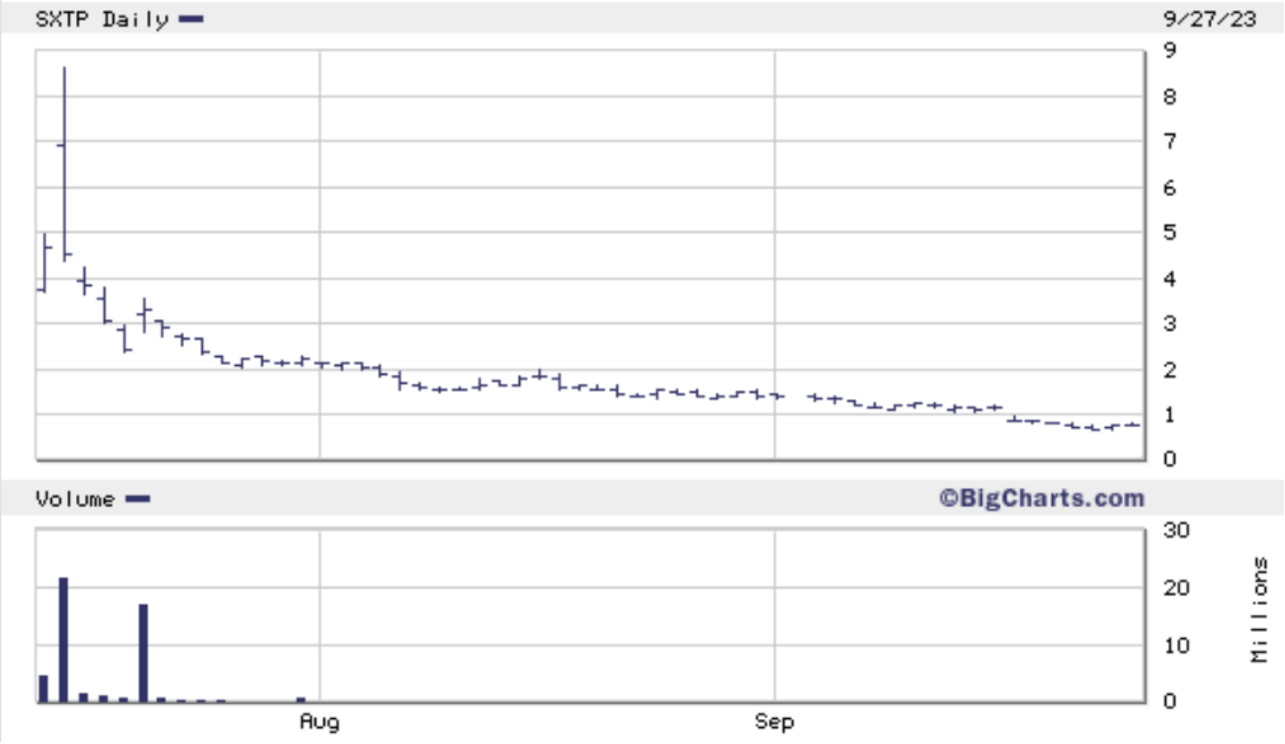
	2022A (Cur.)	2023E (Cur.)	2024E (Cur.)
Q1 Mar	NA	(0.91)A	(0.15)E
Q2 Jun	(0.68)A	(0.79)A	(0.15)E
Q3 Sep	(0.60)A	(0.19)E	(0.17)E
Q4 Dec	(0.76)A	(0.14)E	(0.16)E
Total	**(2.41)A**	**(2.02)E**	**(0.63)E**
P/E	NA	NA	NA

Important Disclosures

Ascendiant Capital Markets LLC seeks to do business with companies covered by its research team. Consequently, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making an investment decision.

For analyst certification and other important disclosures, refer to the Disclosure Section, located at the end of this report, beginning on page 25.

Exhibit 1: 60 Degrees Pharmaceuticals, Inc. Daily Stock Price Since IPO (July 2023)



Source: https://bigcharts.marketwatch.com/

INVESTMENT THESIS

We are initiating coverage of 60 Degrees Pharmaceuticals, Inc. with a BUY rating and a 12-month price target of $2.40

60 Degrees Pharmaceuticals specializes in developing and commercializing new therapies to prevent and treat serious infectious diseases, such as Malaria, COVID-19, and Babesiosis. 60 Degrees Pharmaceuticals' first product, Tafenoquine, marketed under the brand name, ARAKODA, is an FDA-approved anti-Malarial prophylactic developed by the US Army and commercially available in the US since 2019. Initial sales of ARAKODA have been primarily to the US army, with small amounts sold through distributors in the US and Australia. The company's second product, Celgosivir was developed by Migenix for use against HIV and Hepatitis C and tested by the National University of Singapore for use against Dengue fever. Though results against Dengue have so far not panned out, the company is exploring its use against other illnesses, including RSV (Respiratory Syncytial Virus).

60 Degrees has a risk-reduced strategy to bring drugs to market for a fraction of the typical cost. 60 Degrees Pharmaceuticals' business model involves building productive research partnerships with public and academic entities to repurpose licensed products with well-characterized safety profiles in prior clinical studies thereby reducing the cost and risk of clinical development. As an example, through its partnership with the US Army, the company was able to get marketing approval for ARAKODA for less than $10 million total, compared to $1 billion or more for many novel therapeutics. The company is pursuing a similar strategy with its second product, Celgosovir, which has been licensed from the National University of Singapore and jointly researched for new indications.

Exhibit 2: 60 Degrees Pharmaceuticals Investment Highlights

Investment Highlights

- **ARAKODA – a long-acting, potentially broad-spectrum, anti-infective already FDA-approved for malaria prevention and commercially available in the U.S.**
  - Safe, long acting, mechanistically differentiated antimalarial approved by FDA
  - Discovered by US Army and successfully brought to market by 60P
  - 1,100+ patient exposures in 8+ published clinical trials, weekly dosing for up to one year
  - Commercially available in U.S. via network of major national distributors
  - Existing commercial/regulatory infrastructure expected to facilitate cost-effective pathway to new/expanded indications following targeted clinical trial and label changes
- **Arakoda Regimen of Tafenoquine – Research agenda involving COVID-19 and other diseases**
  - Malaria, COVID-19, fungal, tick-borne illness of interest to the Company affect millions and are associated with a potentially multi-billion-dollar unmet medical need
  - Company has strong IP for malaria, COVID-19, and other indications
  - Accelerated clinical recovery from COVID-19 symptoms suggested results from 2021 double-blind, placebo-controlled, randomized Phase II study
  - 2023: Launch of ACLR8-LR, a Phase 2b study in low-risk COVID-19 patients
  - 2024: Second COVID-19 clinical planned
- **Experienced management team and Board**
  - Team has together led/managed four clinical trials
  - Collectively led multiple pharmaceutical product approvals/product launches
  - Collectively led/provided guidance on 20+ public & private entities
  - Participated in/led multiple public listings

Source: Company Reports

Exhibit 3: Overview of ARAKODA

Overview

The team at 60 Degrees Pharmaceuticals, a growth-oriented biotech company, specializes in developing and commercializing new therapies used in preventing and treating serious infectious diseases.

Cutting-edge biological science and applied research form the foundation of our highly-focused, advanced clinical strategy.

In 2018, 60 Degrees Pharmaceuticals was awarded U.S. regulatory approval of ARAKODA® (tafenoquine), a malaria preventative treatment.

COVID-19, fungal, tick-borne, and other serious viral diseases are targets in our current product development pipeline, given the relevant unmet needs we perceive in the marketplace.

Source: Company Reports

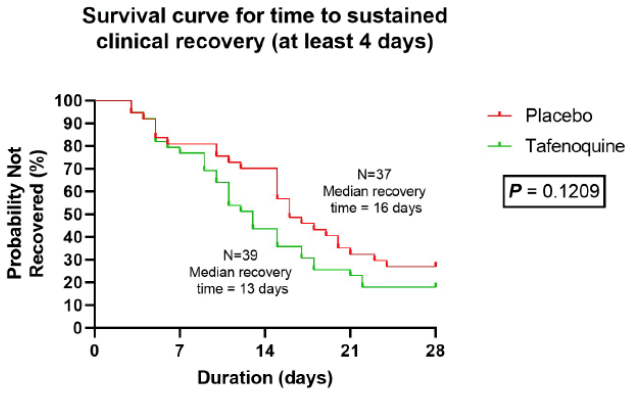
Malaria is a major scourge globally. Each year, 600,000+ people die from Malaria. With half the world's population exposed, and an estimated 247 million cases worldwide each year, the market for Malaria prevention globally is estimated at over $1 billion per year. Though ARAKODA is effective at killing Malaria in infected patients, its action is not as fast as that of competing treatments. In addition, patients are first required to be screened for the G6PD enzyme before they are administered ARAKODA. For these reasons, ARAKODA is more suitable as a prophylaxis in developed countries than as a mass-market treatment for infected patients in developing countries. Notwithstanding, ARAKODA could eventually be marketed for Malaria treatment in developing countries in combination with other compounds, due to its unique mechanism of action and favorable safety profile.

US Malaria Prevention represents a $50 million opportunity for the company. Each year, approximately 550,000 American travelers are prescribed Malaria prophylaxis for travel. Assuming a market share target of 40% and a wholesale price of $235 per box of ARAKODA, the company's opportunity in the US Malaria market could exceed $50+ million annually. In addition, if the US Army finds itself deployed to malaria-affected regions, there is the potential for large surplus orders. So far, the company has just begun the process of marketing ARAKODA to US travelers.

Tafenoquine has a good safety profile and requires fewer pills than similar medications. Benefits of ARAKODA for Malaria prophylaxis include convenient once-weekly dosing following a three-day load, absence of any black-box safety warnings, good tolerability, and an adverse event rate comparable to placebo with up to 12 months of continuous dosing. Its exceptional safety profile makes it particularly useful as an anti-viral used in combination with other therapies, for example in treating COVID or used as part of a drug combination to combat drug resistance for Malaria treatment.

Exhibit 4: Phase II Study Results Suggest Tafenoquine Accelerates Clinical Recovery from COVID Symptoms

Phase II Study Results Suggests Tafenoquine (ARAKODA Regimen) Accelerates Clinical Recovery From COVID-19 Symptoms*#



Parameter	Placebo (N=41)	Tafenoquine (N=45)
Time to Symptom Resolution (PP)**	6.3 days	4 days (*P*=0.02)
Proportion Not Recovered @ Day 14 (PP)**	22.5%	11.9% (*P*=0.25)
COVID-19 Hospitalizations (All, ITT)	2	1 (*P*=0.6)
Mild-Moderate Drug- Related Adverse Events (ITT)	2.4%	8.9%

***Recovery from cough, fever & shortness of breath*

**From Dow and Smith 2022. A phase II, double blind, placebo-controlled, randomized evaluation of the safety and efficacy of tafenoquine in patients with mild-moderate COVID-19 disease (nih.gov). Survival curve analysis presented here is based on unpublished data from same study.*

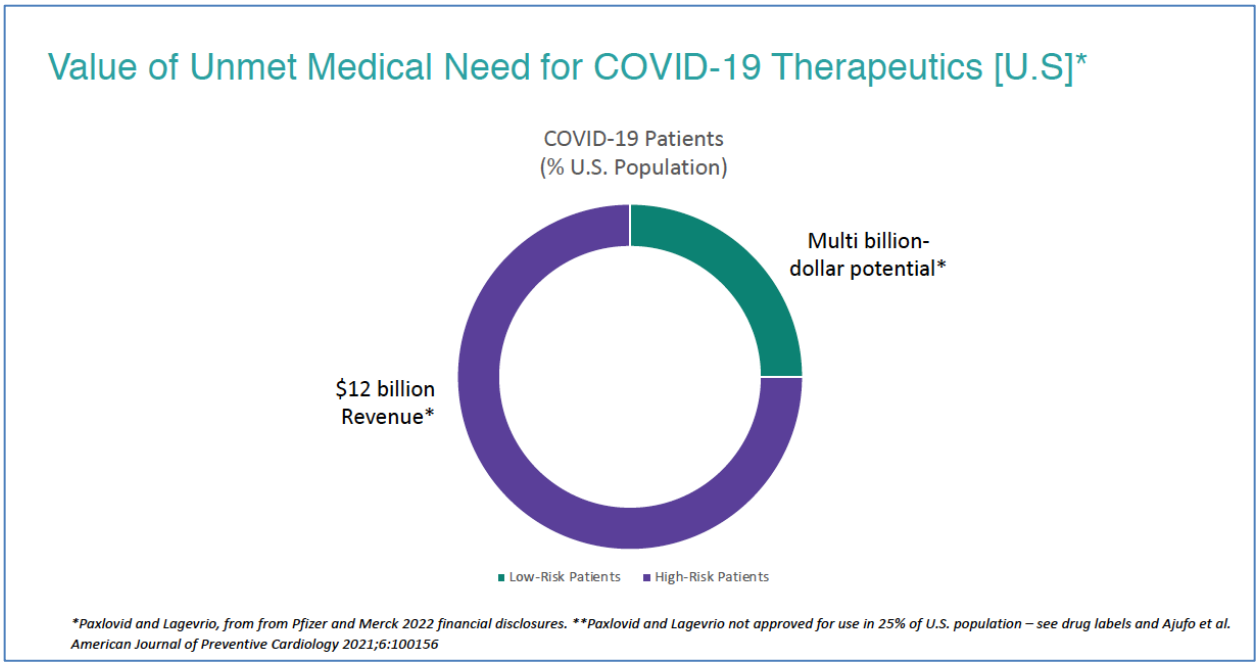
#Total tablet burden = 8.

Source: Company Reports

Phase IIA trials for the use of Tafenoquine to shorten recovery from COVID-19 have been completed and phase IIB trials are planned for 2024. In a phase II trial of Tafenoquine for patients with moderate to mild COVID-19, time to recovery was reduced from 7 days to 3 days using the drug. However, the study was stopped early due to the release of topline results from Phase III trials of competing medicines, Fluvoxamine, Molnupiravir, and Paxlovid. Given that these medicines are not indicated for use in low-risk COVID patients, the company intends to undertake a second study to prove the efficacy of Tafenoquine for the estimated 25% of the population which is excluded from the use of competing anti-viral drugs due to having a lower risk profile. Originally slated to begin in late 2023, the company is currently modifying the proposed design of the study to satisfy FDA recommendations. It has announced

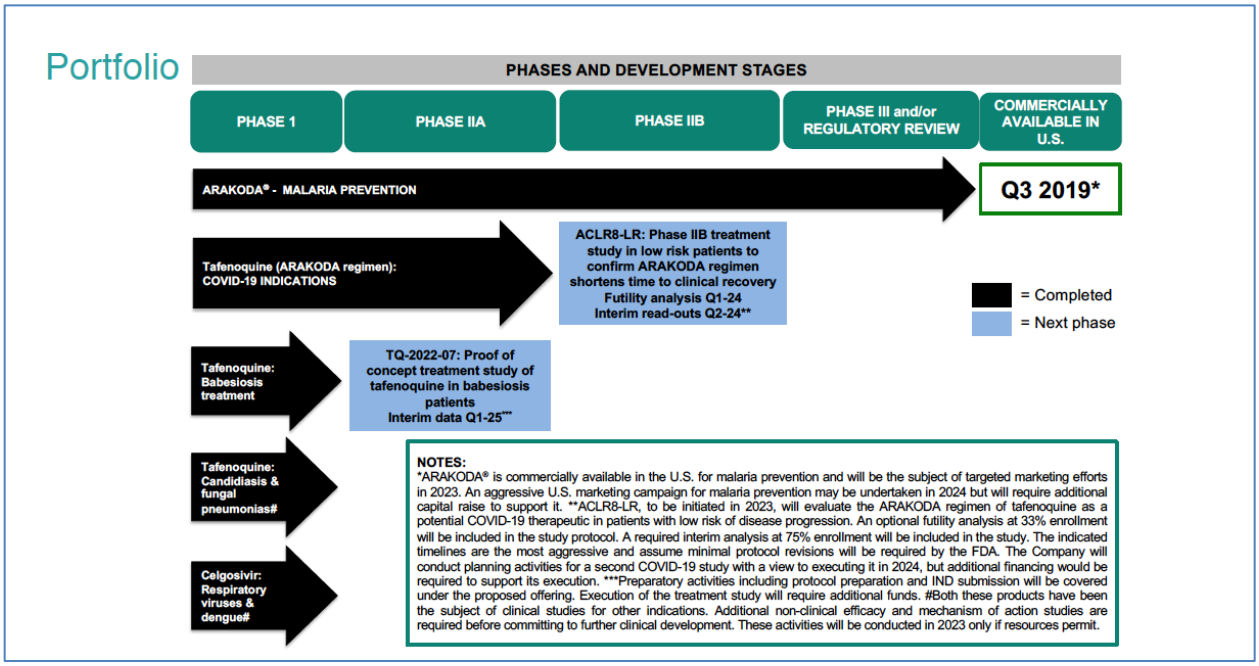
that it plans to submit an updated IND in Q4 2023. Given the higher-risk population is estimated to represent a $12 billion opportunity, the company believes that Tafenoquine for lower-risk COVID patients could be a multi-billion-dollar opportunity as well.

Exhibit 5: Value of Unmet Medical Need for COVID Therapeutics in the US



Source: Company Reports

Exhibit 6: 60 Degrees Pharmaceuticals Product Portfolio



Source: Company Reports

Animal models have shown that Tafenoquine is effective against other diseases, including Babesiosis and Lyme Disease. In the US, there are at least 47,000 cases of Babesiosis, a tick-borne disease that co-infects with Lyme Disease in 10% of reported Lyme Disease cases. Given its mechanism of action against Babesiosis, the company believes that it will also prove effective against Lyme Disease, once clinical studies are conducted. There are 470,000 new cases of Lyme disease in the US for which ARAKODA could serve as a post-exposure prophylaxis.

Tafenoquine potential against Fungal Pneumonia and Candidiasis. There are approximately 91,000 cases of fungal pneumonia each year in the US, in addition to 50,000 new cases of Candidiasis. According to the company, ARAKODA has the potential to be added to the standard of care regimens for Fungal Pneumonia and Candida infections.

60 Degrees Pharmaceuticals has a growing patent portfolio. The company has 2 US patents, 1 international patent, and 14 in progress for Tafenoquine as a treatment for Malaria, COVID, and lung infections. The company has 5 US patents, 6 international patent, and 5 in progress for Celgosivir used as a treatment for Dengue, RSV, and COVID-19.

Experienced management team and Board have collectively led 20+ public & private entities. 60 Degrees Pharmaceuticals is helmed by Geoffrey Dow, an MBA PhD who has dedicated the bulk of his professional career to developing drugs to fight tropical diseases, including a 10-year stint as a researcher at the US Army's Walter Reed Medical Center, where he worked on the Army's anti-Malaria program. Other prominent team leaders include CFO Tyrone Miller, Co-Founder of the company, Chief Medical Officer, Bryan Smith, MD, Army Colonel, and veteran of 2 successful NDAs as a Chief Medical Officer, and Jenny Herz, Director of 60P Australia and 20-year veteran of the biopharma industry. In addition, 60 Degrees Pharmaceutical is guided by a highly experienced Board of Directors which includes Cheryl Xu, Stephen Toovey MD PhD, Paul Field, and Charles Allen. Each board member has at least 20 years of experience in pharmaceuticals and other fields of business.

IPO provides dry powder for product development. 60 Degrees Pharmaceuticals' Nasdaq IPO on July 12 provided the company net proceeds of $6.5 million. This, combined with R&D tax credits, should carry the company well into 2024, when it plans to undertake its phase IIB trial of Tafenoquine for low to moderate-risk COVID patients. In addition to raising funds for research, the company's IPO served to restructure its balance sheet, with creditors converting over $26 million of debt to equity. This will save the company over $4 million in interest expenses per year and help reduce cash burn to under $1 million per quarter, giving the company a year or more of runway from IPO financing.

Revenues are growing fast from a small base. Though the company previously sold over $3 million worth of ARAKODA to the US Army, the contract ended in 2022. As the company has only recently begun to market product to civilians, sales are modest, but growing quickly. Q2 product revenues were $59,000 in Q2 2023, up from $17,000 in Q1. Operating expenses are around $700,000 per quarter, with the key variable being where the company is with clinical trials.

Valuation: SXTP represents attractive risk/reward with large opportunities for FDA-approved Tafenoquine ahead

Based on an NPV analysis, we believe SXTP is worth at least $2.40 per share. Given the uncertainties of drug approval and marketing, we assigned probability weightings to each of the company's current opportunities, as well as conservative market share assumptions to come up with a blended, probability-weighted model of the company's revenue potential. Our model assumes a 40% probability of achieving 40% market share for US Malaria prophylaxis, as well as a 25% probability of achieving 3% share of the market for COVID anti-virals in low-to-moderate risk patients. In addition, we use a conservative discount rate of 15% for future cashflows to account for general uncertainty relating to marketing a new product and competition in the marketplace. With the stock currently trading at $0.78, below its net cash on the balance sheet, we believe the risk/reward is attractive. In addition, the stock could experience a significant boost with the achievement of commercial milestones, include marketing traction of ARAKODA for Malaria prophylaxis, as well as positive outcomes for its phase IIB clinical trials for Tafenoquine to treat low-to-moderate risk COVID patients, a study which the company expects to complete in 2024. We acknowledge that 60 Degrees Pharmaceuticals is still at an early stage in its product commercialization, but large market opportunities and key product development and commercialization milestones over the next year should be positive catalysts for the stock.

INVESTMENT RISKS

Reliance on External Financing

With only modest product revenues and significant resources required to achieve its research and marketing goals, 60 Degrees Pharmaceuticals will likely remain reliant on external financing for the foreseeable future. While external funding can provide the necessary capital to drive research, development, and commercialization efforts, it also exposes the company to the volatility of financial markets and the terms set by investors or lenders. Unfavorable economic conditions, shifts in investor sentiment, or changes in lending criteria could limit the company's access to capital, resulting in unfavorable financing terms, increased debt burdens, or even an inability to secure funds altogether. Without consistent and favorable financing, the company may have to curtail its operations, delay or abandon key projects, or make strategic compromises that could adversely affect its long-term growth and profitability.

Clinical Trial Outcomes

The company's future success is heavily contingent on the outcomes of its clinical trials, in particular its phase IIB trial of Tafenoquine for low-risk COVID patients. Potential risks to trial outcomes include slower recruitment in studies, as well as a lack of statistically significant results. If trials don't yield results in line with regulatory expectations, it could halt further product development and prevent essential regulatory approvals. Such setbacks could escalate R&D costs, strain the company's financial resources, and potentially delay other pivotal projects. In addition, the company's phase IIB COVID trial is currently under evaluation to see if the company can adapt its study design to the FDA's recommendations. If the company fails to go forward with this initiative, it is likely to negatively affect the stock price.

Tafenoquine necessitates a G6PD test prior to administration.

A G6PD test is a blood test that measures the amount of glucose-6-phosphate dehydrogenase (G6PD) enzyme in a person's red blood cells. G6PD is an enzyme found in red blood cells that helps protect them from certain chemicals and oxidative damage. A deficiency in G6PD, known as G6PD deficiency, can cause red blood cells to break down prematurely, leading to a condition called hemolytic anemia. This can be triggered by certain medications, foods (like fava beans), or infections. The G6PD test is used to determine if someone has a deficiency in this enzyme. It's particularly important to test individuals before giving them medications that can cause hemolysis in those with G6PD deficiency.

The absence of immediate point-of-care tests could hinder ARAKODA sales or other Tafenoquine-containing drug regimens. While a G6PD test is a one-time requirement and its results can be stored in electronic health records, commercial G6PD test providers in the US typically offer a turnaround time of up to 72 hours. This delay isn't problematic for frequent travelers or organizations with structured health programs, but it could deter first-time travelers or spontaneous travelers from using ARAKODA if they're reluctant or unable to undergo the G6PD test. If Tafenoquine's effectiveness against COVID-19 is due to its antiviral properties, timely administration would be crucial. The current unavailability of an FDA-approved, quick G6PD test might negatively affect Tafenoquine sales for COVID-19 treatment, assuming FDA approval for such use. Several companies are developing point-of-care G6PD tests, with some already approved in countries like Brazil, Australia, and Europe, and another backed by NIH for US and international markets. However, there's no certainty these tests will be commercially viable or widely accessible.

Competitive Landscape

The pharmaceutical sector is fiercely competitive. Established players with deeper pockets and broader distribution networks could overshadow the company's offerings. This is particularly true of a small company such as 60 Degrees Pharmaceuticals which is competing to bring drugs through the FDA approval process and market them to the end user. Typically, phase III drug development is the domain of large companies, given the high costs, high risks, and long cycle time of drug development. Of course, 60 Degrees Pharmaceuticals attempts to 'level the playing field' by licensing established products that are already approved and/or have a good safety profile. However, this still leaves the problem of finding and approving new indications for these compounds, as well as the challenge of developing a market.

Market Acceptance

Securing marketing approval is a commendable achievement, but it doesn't guarantee market success. The company's products, including ARAKODA, must gain widespread acceptance among a diverse group of stakeholders, from physicians to patients. Without this broad-based endorsement, substantial revenue could be elusive, forcing a re-evaluation of growth strategies and market

positioning. As an example, though ARAKODA has been approved in the US for Malaria prevention since 2019, the only substantial sales so far have been to the entity that originally sponsored the drug, the US Army. In order for the company to realize the huge potential of ARAKODA to prevent Malaria in the US and the rest of the world, it will have to commit sustained resources to market the drug over a period of years. This is also true of new indications, such as for the treatment of COVID-19 that may be approved for the drug in the future.

VALUATION

We see upside to $2.40+ as 60 Degrees Pharmaceuticals begins to market ARAKODA and undergo phase IIB clinical trials for COVID

In order to deal with the uncertainty surrounding future regulatory and marketing outcomes, we created a model that weights the company's potential market share in each area by the probability of coming to market. We then discounted the total opportunity to net present value, added net current cash, and subtracted the estimated capital required to realize these opportunities. As an example, our resulting price target assumes a 40% probability of achieving 40% market share in the US market for Malaria prophylaxis, as well as a 25% probability of achieving a 3% share of the market for COVID anti-virals in low-to-moderate risk patients. We further assume the company will require an additional $40 million in capital to realize its opportunities. Adding net cash to the NPV of future net profit and subtracting the estimated additional capital required, we come up with a current value for existing shareholders of $13.9 million, or $2.40 per share.

We acknowledge that as an early-stage drug company, 60 Degrees Pharmaceuticals' valuation is subject to great uncertainty. We believe our probability weightings, conservative market share assumptions, and a high discount rate of 15% used in our NPV calculation account for this. Given that 60 Degrees Pharmaceuticals already has an FDA-approved drug, and has only to market that drug, as well as test for new indications, it might appear that our valuation is on the conservative side. Yet, we believe marketing execution could prove a bigger challenge than the FDA approval process, given the competitive nature of the drug market and the entrenched positions of large incumbents. In addition, the company will likely need to raise substantial funds to carry it through its clinical trials roadmap, as well as get marketing traction for ARAKODA. Therefore, we feel conservatism is warranted. Still, our valuation represents 208% upside to the current stock price and is well below the stock's intraday high of $8.65 reached on July 13, 2023.

Exhibit 7: 60 Degrees Pharmaceuticals, Inc. Valuation, NPV

Projected Annual Market Opportunity	$48,040,900
Discount Rate	15%
NPV of Future Sales	$320,272,667
Projected Net Margin	15%
Estimated NPV of Future Net Profit	$48,040,900
Net Cash	$5,900,000
Estimated Additional Capital Required	($40,000,000)
Current Value for Existing Shareholders	$13,940,900
Shares Outstanding	5,799,535
Estimated Value Per Share	$2.40

Source: Company reports, WHO, Ascendiant Capital Markets estimates

Trading History. 60 Degrees Pharmaceuticals' share price has fallen substantially since its intra-day high of $8.65 the day after its IPO on July 12, hitting a low of $0.67 on September 25, following the announcement that the company was temporarily withdrawing its IND for its phase IIB study of Tafenoquine for low-to-moderate risk COVID patients. Notwithstanding the COVID trial wrinkle, we believe a key reason for the depressed stock price has been a lack of institutional sponsorship, including a lack of research. The resubmission of its IND for the COVID trial expected in Q4 2023 should be good news for the stock. Further milestones towards obtaining permission to market Tafenoquine for COVID are likely to provide further catalysts. Given the phase II trial demonstrated

efficacy of the compound for COVID recovery, and the safety profile is already known, the likelihood of a positive outcome is significant. Though the FDA clearance process is subject to uncertainty, the current valuation seems to heavily discount risks appropriately. With the stock currently trading below net cash value and less than $0.2 million of debt on the balance sheet post-IPO we feel the downside risk is very limited.

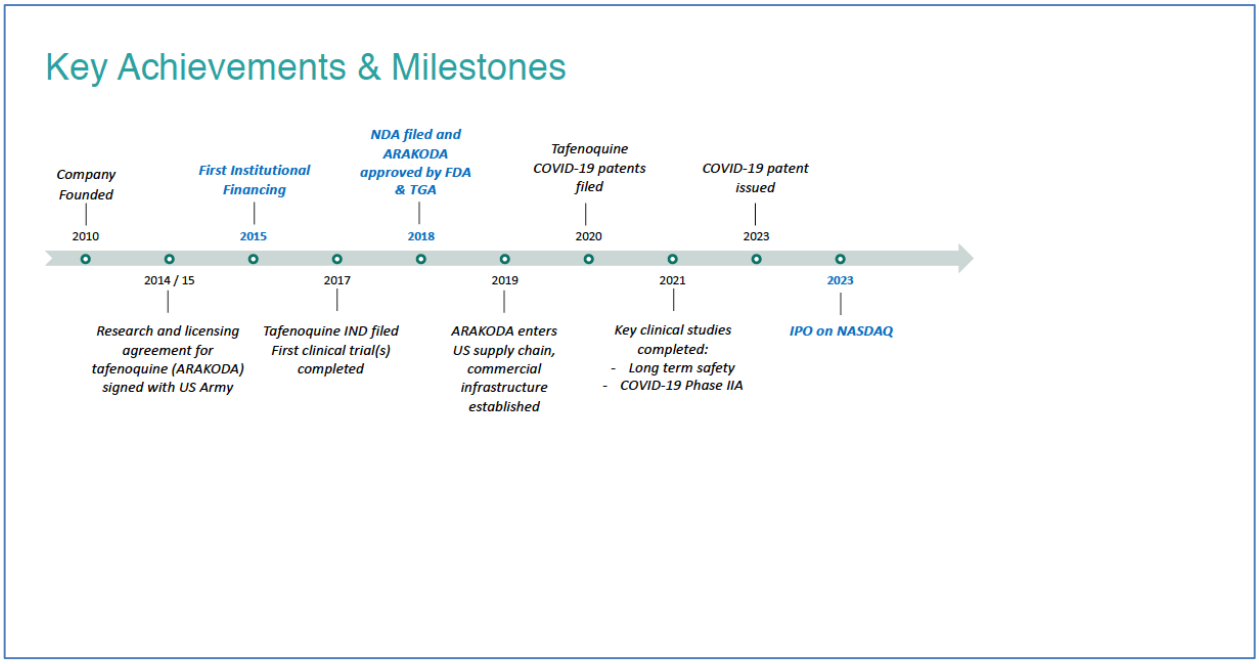
COMPANY

Overview

Introduction. 60 Degrees Pharmaceuticals specializes in developing and commercializing therapies to prevent and treat serious infectious diseases, such as Malaria, COVID-19, and Babesiosis. The company's flagship product, ARAKODA (Tafenoquine), is a significant advancement in Malaria prevention, offering a once-weekly dosing regimen, which is a departure from the daily dosing that many other anti-Malarials require. This innovative approach aims to improve compliance and, consequently, the effectiveness of Malaria prophylaxis for travelers, military personnel, and those living in Malaria-endemic areas. Developed in partnership with the US Army, ARAKODA is FDA-approved and has been commercially available in the US since 2019. Initial sales of ARAKODA have been primarily to the US army, with small amounts sold through distributors in the US and Australia. The company's second product, Celgosivir was developed by Migenix for the treatment of Hepatitis C and tested by the National University of Singapore for use against Dengue fever. Though results against Dengue have so far not panned out, 60 Degrees Pharmaceuticals is exploring the use of Celgosivir against other illnesses, including RSV (Respiratory Syncytial Virus).

History & Founding. Headquartered in Washington D.C., 60 Degrees Pharmaceuticals was founded by CEO, Dr. Geoffrey Dow and Tyrone Miller (currently CFO) in 2010 with the mission to develop innovative medicines for the treatment and prevention of infectious diseases. Under Dr. Dow's leadership, the company secured FDA-regulatory approval for Tafenoquine for Malaria prophylaxis and established a robust supply chain for the drug. Additionally, the company operates a subsidiary, 60P Australia Pty Ltd, based in Sydney, Australia. 60P Australia holds sub-licensing rights for the company's products and carries out important research efforts in the Australian market. 60 Degrees Pharmaceuticals went public on the NASDAQ on July 12, 2023.

Exhibit 8: 60 Degrees Pharmaceuticals Key Milestones



Source: Company Reports

Low-Cost, Risk-Reduced Strategy. In light of the enormous costs and risks associated with bringing new therapeutics to market, 60 Degrees Pharmaceuticals has focused on repurposing compounds with a known safety profile in partnership with institutional sponsors. In particular, the company has spent years working with the US Army to bring Tafenoquine for Malaria prophylaxis to market. In total, the company spent less than $10 million on development before obtaining FDA approval – a remarkably small budget for a new therapeutic. Building on this success, the company is looking to broaden the therapeutic applications of Tafenoquine to COVID-19 and other diseases, thereby leveraging its prior investment in developing the drug to new and broader markets. The company is pursuing a similar strategy with Celgosovir, which it licensed from the National University of Singapore, and hopes to repurpose for use against RSV, and possibly COVID as well. Another component of the company's strategy involves leveraging public research grants wherever possible to fund its development activities. For instance, the company plans to license ex-US rights to Tafenoquine for COVID-19 indications to its Australian subsidiary, 60P Australia Pty Ltd. This will facilitate claiming the Australian government's research tax credit for any of its COVID-19-related research activities conducted in Australia. 60P Australia has been successful in securing research tax credits for Malaria and Dengue-related research since 2013.

Partnerships. 60 Degrees Pharmaceutical has made a point of partnering with public institutions to develop and commercialize its products. Following is a summary of the company's key development partnerships:

> **US Army license agreement for Tafenoquine.** On July 15, 2015, the company entered into an Exclusive License Agreement with the US Army which allowed the company to develop and commercialize licensed technology for various therapeutic applications of Tafenoquine for Malaria prevention and treatment. The company is obligated to pay royalties based on net sales, with additional milestone payments related to net sales and regulatory approvals.
>
> **Partnership with Natick for clinical trials of Tafenoquine for COVID-19.** On December 4, 2020, the company collaborated with the Natick Contracting Division of the US government via the OTAP Agreement. This partnership aimed to conduct a Phase II clinical trial assessing the efficacy of Tafenoquine for treating mild to moderate COVID-19. The agreement, valued at $5 million spanned from its commencement date to the third quarter of 2022. The company committed not to offer Tafenoquine for COVID-19 at a price lower than that offered to the Department of Defense.
>
> **NUS partnership for Celgosivir.** In 2014, the company formed a partnership with the National University of Singapore (NUS) and Singapore Health Services Pte Ltd (SHS) through the 2014 NUS-SHS Agreement. This agreement granted the company the rights to develop, market, and sell products related to the patent "Dosing Regimen for Use of Celgosivir as an Antiviral Therapeutic for Dengue Virus Infection." The company is required to pay 1.5% of gross sales or a minimum annual royalty, with specific amounts set for 2022 and 2023. In July 2022, the company renegotiated a license fee payment timeline with NUS.

Supply Chain. 60 Degrees Pharmaceuticals has established a robust supply chain by partnering with third parties. Its products are manufactured in India by Piramal. Packaging is done by PCI in Philadelphia. Logistics services are provided by KCS in Kentucky. The company uses ASB and 2 other prime vendors for distribution, as well as various Pharmacy Benefit Managers. For international distribution of ARAKODA for Malaria prophylaxis, the company works with Scandinavian Biopharma in Europe, Biocelect for Australia, New Zealand, and the Pacific Islands, and Knight Therapeutics for Canada, Latin America, Israel, and Russia.

Sales and Marketing. The company's sales and marketing strategy revolves around targeting specific entities, such as organizations with employees deployed overseas (e.g., mining companies) as well as leveraging potential future procurement from the US Department of Defense and other government agencies. While the company believes a US sales force will ultimately make sense, it plans to establish a sales force once it has widened the range of approved indications for ARAKODA beyond Malaria prophylaxis, e.g., once it is approved to treat COVID. In the meantime, the company is considering commercial arrangements with contract sales organizations to target US travel clinics specifically for Malaria prophylaxis. The company has been successful in securing procurement contracts with US government agencies for its product, ARAKODA, and anticipates continued success in the future. For instance, in 2020 and 2021, the US Army purchased 11,250 boxes of ARAKODA. Though no new contracts are in the works, the company believes more sales to US government entities would be likely in the event of new deployments to Malaria-prone regions. In the third quarter of 2022, the company made its inaugural sale to the European distributor, Scandinavian Biopharma Distribution, and recorded additional sales to its Australian distributor, Biocelect Pty Ltd.

Exhibit 9: 60 Degrees Pharmaceuticals Supply Chain

Source: Company Reports

Exhibit 10: 60 Degrees Pharmaceuticals Intellectual Property

Source: Company Reports

Intellectual Property. 60 Degrees Pharmaceuticals is co-owner with the US Army of patents in the United States and certain foreign jurisdictions, involving the use of Tafenoquine for Malaria, and has obtained an exclusive worldwide license from the US Army to use these patents. The company has also submitted patent applications in the United States and certain foreign jurisdictions for the use of Tafenoquine for COVID-19, fungal lung infections, tick-borne diseases, and other diseases in which induction of host cytokines/inflammation is a component of the disease process. The US Patent and Trademark Office recently granted the company's first COVID-19 patent for Tafenoquine. The company has optioned or licensed patents involving Celgosivir for the treatment and prevention of Dengue from the National University of Singapore, as well as patents for COVID-19 & Zika from Florida State University and has submitted provisional patent applications related to Celgosivir for RSV. In addition, the company has registered at least 15 patents for the use of its brand names for Tafenoquine medications, ARAKODA and KODATEF.

Team. The company boasts an experienced management team and Board. Collectively, they have managed four clinical trials, achieved multiple pharmaceutical product approvals or launches, guided 20+ public & private entities, and participated in or led multiple public listings. Key leaders include:

Geoffrey Dow, PhD, CEO and Co-Founder. Dr. Dow has been involved in the development and registration of five antimalarial drugs and has worked in various roles, including at the Walter Reed Army Institute of Research before founding 60 Degrees Pharmaceuticals in 2010.

Tyrone Miller, CFO and Co-Founder. Mr. Miller is a CPA with many years of experience in the pharmaceutical industry, including in areas like regulatory affairs, quality assurance, and operations.

Bryan Smith, MD, Chief Medical Officer. Dr. Smith is a retired US Army Colonel with 30 years of experience including 2 successful NDAs as a Chief Medical Officer.

Jenny Herz, Director at 60P Australia. Ms. Herz has over 20 years of experience in the bio-pharma industry, with a focus on vaccines. Jennifer was the first managing director of Sanofi Pasteur in Australia, has served on the Board of Medicines Australia, and has held positions at Astra Zeneca Europe.

Exhibit 11: 60 Degrees Pharmaceuticals Officers and Directors

Source: Company Reports

Target Markets

Market Size. The company perceives a multi-billion-dollar unmet medical need for the treatment of diseases like Malaria, COVID-19, Candidiasis, Babesiosis, Lyme Disease, Dengue Fever, and RSV. In general, the company has sought to first obtain US marketing rights before proceeding to other markets. Following is a summary of markets that 60 Degrees Pharmaceuticals is addressing with its research programs:

Malaria. One of the world's most deadly diseases, Malaria kills over 600,000 people each year. Because of climate change, the disease is spreading to areas that were previously unaffected and currently menaces one-half of the world's population. In 2021, there were an estimated 247 million cases worldwide. In the US, there are approximately 550,000 prescriptions for Malaria prophylaxis written each year. Common drugs used for Malaria prophylaxis include Malarone, Chloroquine, Doxycycline, Mefloquine, and Primaquine, in addition to 60 Degrees Pharmaceuticals' drug ARAKODA (Tafenoquine). With one box of ARAKODA currently costing $235 wholesale, 40% penetration of the US market for Malaria prophylaxis would represent a $50 million annual opportunity. The global market for Malaria treatment is currently estimated to exceed $1.6 billion (source: https://www.theinsightpartners.com/reports/Malaria-treatment-market).

COVID-19. According to worldometers.info, COVID-19 has infected over 246 million people worldwide, including 78.7 million cases in the US. The market for anti-viral medications to treat COVID patients is currently dominated by Remdesivir, Paxlovid, and Lagevrio (Molnupiravir). In addition, other types of medications, such as the corticosteroid, Dexamethasone, the arthritis drugs Baricitinib and Tocilizumab, as well as the monoclonal antibody Vilobelimab are used to treat primarily adults with severe symptoms. According to the manufacturers of Paxlovid and Lagevrio, the market for medicines to treat adults with high risk of severe COVID exceeds $12 billion annually. As these drugs are not approved for patients at low-to-moderate risk, an additional multi-billion-dollar unmet opportunity may exist for treatments that accelerate recovery for lower-risk patients. It is this opportunity that the company is targeting with its planned phase IIB trial in the US of Tafenoquine for COVID.

Exhibit 12: Gaps in Oral Standard COVID Antiviral Medications

COVID-19 – Gaps in Oral Standard of Care

Drug	Paxlovid	Molnupiravir
Approved indication	Treatment of COVID-19 disease in patients with at least one risk factor for disease progression	
Reduction in hospitalization rate	90%	30%
Approved for lower risk patients	✗	✗
Approved for travel medicine/prevention indications	✗	✗
TTCR (sustained for four days)	Study terminated	No published data or regulatory approvals
Tablet Burden	30	40
Duration of Proven Safety	5 days	
Perceived to be Mutagenic	✗	✓
Important DDI contraindications	✓ (30)	✗
Price (per treatment course)	$530	$700

Source: Company Reports

Babesiosis. This is a tick-borne illness that co-infects with Lyme Disease. Symptoms, if they appear are flu-like in nature. In the US, there are an estimated 47,000 infections annually. Though the illness is not particularly severe, except in the case

of immune-compromised individuals, it is a good proxy for Lyme Disease, which is a much more problematic disease. Meaning that a drug that prevents Babesiosis has a high chance of preventing Lyme Disease. Babesiosis is currently treated with either the combination of Atovaquone plus Azithromycin or Clindamycin plus Quinine for 7-10 days. It is not clear what the incidence of Babesiosis is globally nor how big the market for treatment is.

Lyme Disease. Lyme disease is the most prevalent vector-borne disease in the United States, with an estimated 470,000 cases annually. It is caused by the bacterium Borrelia Burgdorferi and, on rare occasions, Borrelia Mayonii. The disease is transmitted to humans through the bite of infected black-legged ticks. Typical symptoms include fever, headache, fatigue, and skin rash. If untreated, the infection can spread to the joints, heart, and nervous system. Most cases of Lyme disease can be treated successfully with a few weeks of antibiotics. The primary treatments include Doxycycline. The global Lyme disease treatment market was valued at $737.5 million in 2021.

Candidiasis. Candidiasis is a fungal infection resulting from yeasts of the Candida genus. While Candida species naturally reside in the mouth, gut, and vagina, they can lead to infections when there's an overgrowth. The global incidence of candidiasis is challenging to determine precisely due to factors like underreporting and misdiagnosis, but it's believed that millions are affected worldwide each year. The prognosis for most Candidiasis forms is generally positive, with effective treatments available. However, invasive Candidiasis can be severe and life-threatening, especially for those with compromised immune systems. Treatment and prevention typically involve antifungal medications such as Fluconazole, Clotrimazole, Nystatin, and Amphotericin B. Depending on the infection type, patients might use topical creams, oral medications, or even intravenous drugs. On a global scale, the market for antifungal therapies is estimated to reach into the billions, driven by the rising prevalence of fungal infections and the continuous development of innovative drugs.

Dengue Fever. Dengue is a viral infection that affects about half of the world's population. An estimated 100–400 million infections occur each year. The incidence of Dengue has grown dramatically around the world in recent decades. Cases reported to WHO increased from 505,430 in 2000 to 5.2 million in 2019. However, many cases are asymptomatic or mild and self-managed, leading to under-reporting. One modeling estimate indicates 390 million Dengue virus infections per year, of which 96 million manifest clinically. There is no specific treatment for Dengue Fever. However, early detection and access to proper medical care can lower the risks of complications and progression to severe Dengue.

RSV. Respiratory Syncytial Virus (RSV) is a significant cause of lower respiratory tract illness. It is a member of the Paramyxoviridae family and is the primary reason for hospitalizations related to respiratory issues in infants. In the US, one in 13 children under the age of five requires medical attention due to RSV annually. Globally, RSV is estimated to cause between 66,000 and 199,000 pneumonia deaths in children under 5 years old, making it the third leading cause of deadly childhood pneumonia. In terms of treatment, there are limited options. Ribavirin is one of the few available, and while there are no licensed RSV vaccines, a monoclonal antibody called palivizumab is used prophylactically for high-risk infants. This treatment, however, is expensive, costing $4,500 per patient treatment course.

Product Portfolio

Tafenoquine. Tafenoquine was originally developed by the US Army for malaria prevention until 2013. In 2014, 60 Degrees Pharmaceuticals formed a partnership with USAMMDA, leading to its FDA approval in 2018. The recommended dosing involves a loading dose of 200 mg/day for three days, followed by a maintenance dose of 200 mg once per week. The safety profile of Tafenoquine is backed by eight published clinical studies involving over 1,100 patients. The overall adverse event rate of Tafenoquine, when taken 200 mg weekly for 52 weeks, is comparable to a placebo. However, it's essential to conduct a G6PD screening before its use. This is because in individuals who lack the G6PD enzyme, Tafenoquine may cause red blood cell breakdown.

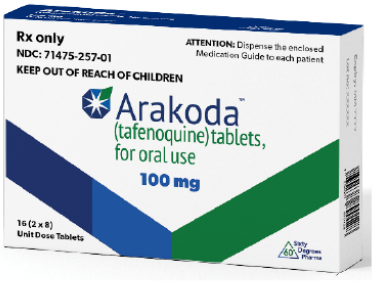
Beyond Malaria, Tafenoquine is also being explored for potential use in treating COVID-19, Babesiosis, and certain yeasts and fungi. A Phase II study suggests that the ARAKODA regimen of Tafenoquine may accelerate clinical recovery from COVID-19 symptoms by 3 days. A Phase IIB study evaluating the safety and efficacy of Tafenoquine for early symptom resolution in patients with mild to moderate COVID-19 is planned for 2024.

Celgosivir. Celgosivir is a host-targeted glucosidase inhibitor isolated from the seeds of the Moreton Bay Chestnut tree that was initially developed by Migenix for HIV and then for hepatitis C. However, Migenix abandoned Celgosivir after Phase II clinical trials, which involved over 700 patients, due to the emergence of other antivirals with superior activity. The National University of Singapore later initiated the development of Celgosivir specifically for Dengue fever. A clinical study conducted in Singapore confirmed its safety, but the observed reduction in viral load was lower than anticipated. Recent studies suggest that Celgosivir may inhibit the replication of the virus causing COVID-19 (SARS-CoV-2) in cell culture and the RSV virus in both cell culture and animals. The company has filed and licensed patents related to Celgosivir for these viruses, believing in its potential applications to combat respiratory diseases.

Exhibit 13: ARAKODA Product Factsheet

About ARAKODA® [tafenoquine succinate]

- Developed by US Army as a prophylactic antimalarial (through 2013)
- 60P and USAMMDA formed a partnership in 2014:
  - FDA approval in 2018 [for malaria prevention]
  - Commercially available in U.S. from Q3 2019
- Dosing & Duration of Use
  - Load: 200 mg/day x 3 days
  - Maintenance: 200 mg once per week
- Safety Profile
  - 8 published clinical studies involving > 1,100 patients
  - Overall adverse event rate of tafenoquine 200 mg weekly for 52 weeks is comparable to placebo.
  - G6PD screening required prior to use
  - See paper in *Travel Medicine & Infectious Disease* [Long-term safety of the tafenoquine antimalarial chemoprophylaxis regimen: A 12-month, randomized, double-blind, placebo-controlled trial - ScienceDirect]



Source: Company Reports

Growth Roadmap

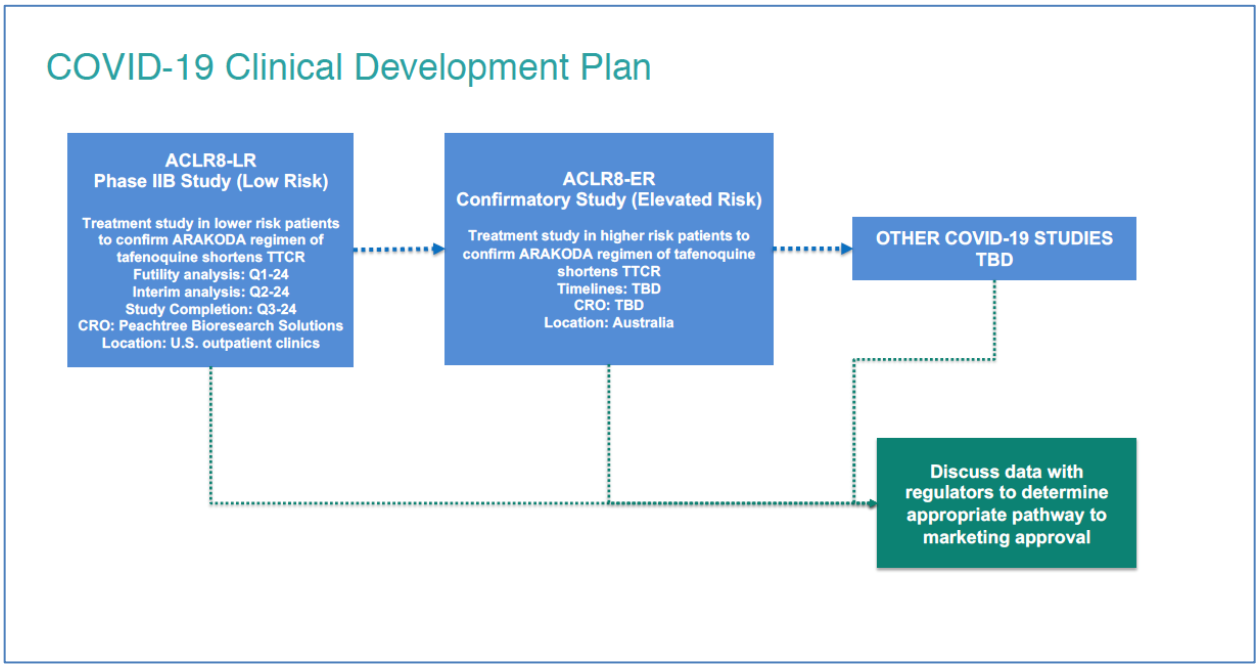
Marketing ARAKODA for Malaria. To develop the market for ARAKODA for Malaria, the company is exploring partnerships with US travel clinics and aims to improve ARAKODA's position in the Department of Defense formulary. The company has already made sales to European and Australian distributors and began a US marketing campaign for ARAKODA in 2023. Marketing initiatives include promotion at relevant conferences, email promotion to prescribers, and target print and electronic advertisements.

Phase IIB Tafenoquine for COVID study re-design. The key growth initiative for the company over the next 12 months is to demonstrate the clinical efficacy of the FDA-approved ARAKODA regimen of Tafenoquine in non-Malaria therapeutic areas, with an initial focus on COVID-19. Once clinical proof of concept is established, the company aims to partner with larger entities for commercialization or raise capital for further development and commercialization. A Phase IIB clinical trial to assess ARAKODA's efficacy in accelerating recovery in mild-moderate COVID-19 patients had been planned for 2H 2023. On September 18, 2023, the company announced that it was temporarily withdrawing its IND for the trial, while it studies the feasibility of modifying the trial design to conform to FDA requirements. Assuming it can meet the FDA's requirements for the study, the company plans to resubmit an IND in Q4 2023 and proceed with clinical trials in 2024.

Nonclinical COVID studies for Tafenoquine. In addition to its phase IIB clinical COVID trials, the company plans to conduct additional non-clinical studies to clarify the process by which Tafenoquine affects COVID-19. Specifically, such studies will attempt to determine whether Tafenoquine acts as an immunomodulator (by decreasing the production of immune system molecules that cause inflammation) and/or exhibits an antiviral effect via inhibition of the host protease TMPRSS2. The clinical hypothesis of the planned

study will be that ARAKODA accelerates clinical recovery by 3 days in individuals who have experienced symptoms for fewer than seven days, thereby confirming observations from the company's phase IIA study in the US. Since the potential clinical benefit is already known, the primary purpose of clarifying the way ARAKODA works is to 1) address anticipated regulatory questions and 2) ascertain whether other indications, such as relief of COVID-19 symptoms during vaccination, treatment of long COVID-19 patients or use during hospitalization might be plausible.

Exhibit 14: ARAKODA for COVID-19 Clinical Development Plan



Source: Company Reports

Tafenoquine for other conditions. The company is also pressing ahead with plans to investigate Tafenoquine for Babesiosis and Candida infections. On September 18, 2023, the company reaffirmed its intention to continue plans to prepare a phase IIA study of Tafenoquine in hospitalized Babesiosis patients, with the goal of requesting a pre-IND meeting with the FDA before the end of the calendar year. Regarding Candida and other fungal infections, the company had previously found, working alongside the NIH that Tafenoquine exhibits a broad spectrum of activity in cell culture against Candida and other yeast strains via a different Mode of Action than traditional antifungals and also exhibits antifungal activity against some fungal strains at clinically relevant doses in animal models. Clinical trials to prove safety and efficacy, and approval by the FDA and other regulators would be required before Tafenoquine could be marketed for these indications.

Celgosivir Roadmap. During the pandemic, the company undertook an effort (in partnership with NIH's Division of Microbiology and Infectious Diseases program and Florida State University) to determine whether Celgosivir might be more broadly useful for respiratory diseases that have impact in both tropical and temperate countries. Preliminary data suggest Celgosivir inhibits the replication of the virus that causes COVID-19 (SARS-CoV-2) in cell culture, and the RSV virus in cell culture and provides benefits in animals. The company has filed and/or licensed patents in relation to Celgosivir for these other viruses as it believes there are potential applications to fight respiratory diseases that might have more commercial viability than the historical development of Celgosivir to combat Dengue fever. However, no specific trials or studies for Celgosivir have yet been announced.

Exhibit 15: ACLR8-LR Phase IIB Study Design

ACLR8-LR: Phase IIB Study Design

A clinical evaluation of the safety and efficacy of randomized placebo versus the 8-aminoquinoline tafenoquine for early symptom resolution in patients with mild to moderate COVID-19 disease and low risk of disease progression (the "ACLR8-LR" study)

Symptomatic patients with rapid-antigen-test-confirmed COVID 19 disease who are G6PD normal [N=148]

200 mg/day on Days 1,2,3 then weekly until symptoms resolve, with dosing initiated within 168h of symptom onset (six tablets in first three days, then two tablets per week until recovered)

Primary Endpoint: Time to (4-day) sustained clinical recovery from COVID-19 symptoms (FDA patient reported outcomes) through Day 28

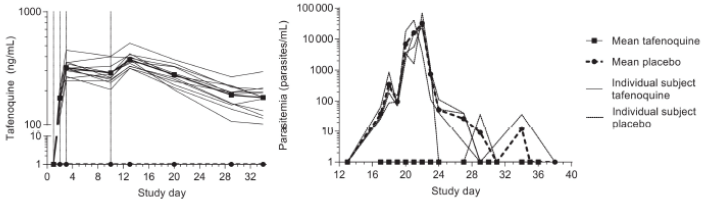
Other Endpoints: MCP-1, other patient reported outcomes (time to and percentage recovered), hospitalization, ER visits, other cytokines, viral load by PCR, ant SARS-CoV-2 antibody levels

Source: Company Reports

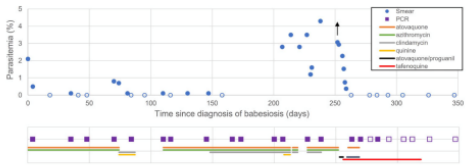
Exhibit 16: Tafenoquine Use in Multiple Indications

Tafenoquine – Potential Use in Multiple Indications

A – Malaria[1]



B – Babesiosis[2]

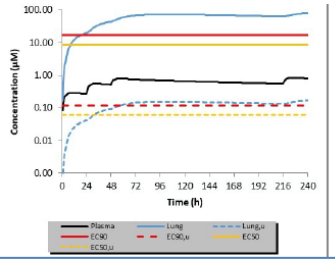


C – Yeasts & Fungi[3]

Species/Strain	Tafenoquine MIC [ug/mL] 50% inhibition	Complete suppression	Fluconazole MIC [ug/mL]
Candida parapsilosis ATC 22019	4	4	1
C. krusei ATCC 6258	4	4	32
C. albicans SC5314	8	8	0.5
C. albicans ATC 90028	4	4	0.25
C. albicans CA3	4	4	> 64
C. auris DI17-47	4	4	> 64
C. auris DI17-48	2	4	2
C. auris DI17-46	4	4	> 64
C. glabrata 05-62	8	8	> 64
C. glabrata 05-761	8	8	8
C. glabrata CG3	8	8	32
C. guilliermondi Cgui1	2	4	1
C. guilliermondi Cgui2	2	2	2
C. guilliermondi Cgui3	4	4	2
C. parapsilosis CP1	4	4	0.5
C. parapsilosis CP2	4	4	0.5
C. parapsilosis CP2	4	8	0.5
Cryptococcus neoformans USC1597	4	4	4
C. neoformans H99	4	4	16
C. neoformans CN3	4	4	64
Average (SD)	4.5 (1.9)	4.9 (1.9)	NC

NC = Not calculated.

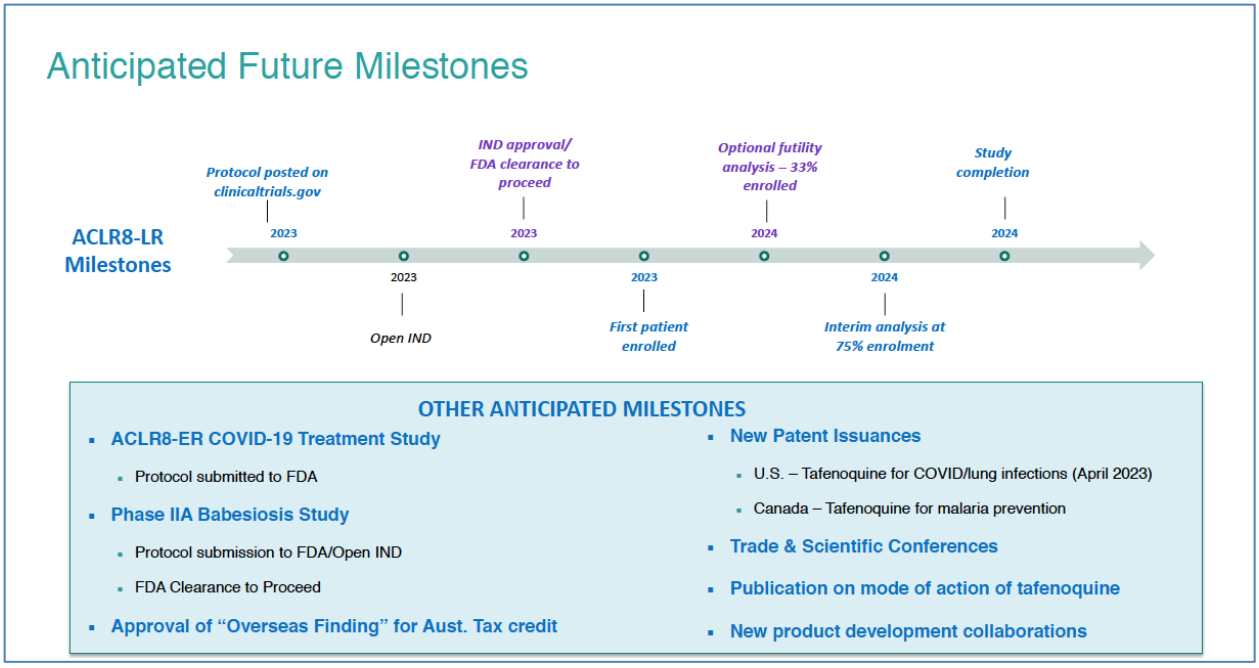
D- SARS-CoV-2/COVID-19[4]



1. McCarthy et al. CID 2019;69:480-486. 2. Rogers et al CID 2022; doi: 10.1093/cid/ciac473. 3. Dow & Smith. New Microbes New Infections; doi: 10.1016/j.nmni.2022.100964. 4. U.S. Patent Application Publication No. 2021-0267963.

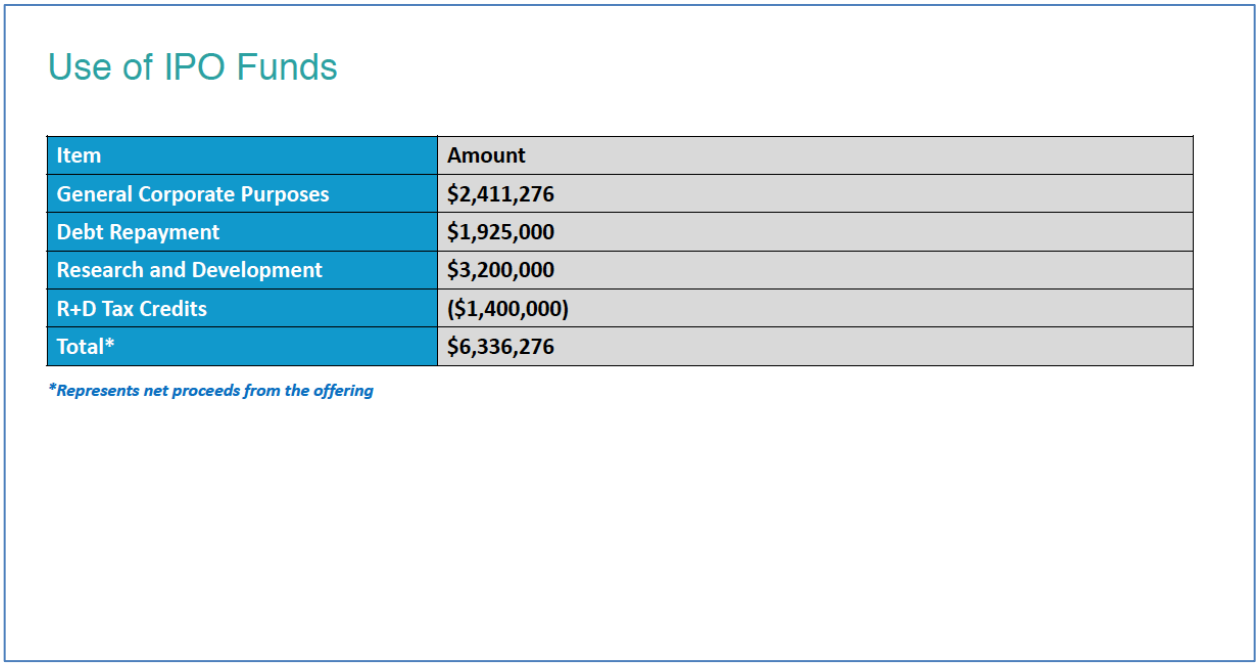
Source: Company Reports

Exhibit 17: 60 Degrees Pharmaceuticals Anticipated Future Milestones



Source: Company Reports

Exhibit 18: 60 Degrees Pharmaceuticals use of IPO Funds



Source: Company Reports

FINANCIALS

Overview. The company was started in 2010 by the current CEO, Geoffrey Dow, and current CEO, Tyrone Miller. Over the years, the company has funded its operations with loans, including over $6 million from Knight Therapeutics, as well as $5 million in private capital, and a $6 million research grant from the US Army. Prior to IPO, the company owed approximately $26.9 million to various parties, with the majority owed to Knight Therapeutics, a Canadian pharmaceutical company that also serves as an international distributor for 60 Degrees Pharmaceuticals. With the advent of the company's Nasdaq listing, the company's debt with Knight was converted into 1.15 million shares of common stock representing 19.9% of the total common stock outstanding post-IPO plus 78,803 shares of Series A preferred stock. As part of the debt-to-equity conversion with Knight, the company has agreed to pay a net royalty of 3.5% of sales to Knight for 10 years following conversion.

The company has a December fiscal year and has not yet reported quarterly earnings as a public company. Following is a summary of key results from the company's most recently filed 10Q:

Q2 2023 results. On August 25, 2023, the company filed its most recent 10Q, approximately 6 weeks after going public. Highlights were as follows:

- In June 2023, the company announced that positive Phase II study data for ARAKODA (Tafenoquine) in patients with mild-moderate COVID-19 disease was published by New Microbes and New Infections.
- In June 2023, the company announced that larger studies are planned to confirm that ARAKODA accelerates clinical recovery in mild-moderate COVID-19.
- 60P Australia Pty Ltd filed the Phase IIB study protocol for the company's COVID-19-Tafenoquine study. However, the company subsequently announced (on September 18) that it would be withdrawing its IND for this study to conform with FDA recommendations for the study design. The company plans to resubmit the modified IND in Q4 2023.
- Product revenues for Q2 2023 were $59,532, with 335 boxes of ARAKODA sold to patients, an increase of 150% YOY.
- The wholesale price of ARAKODA was lowered to $235 per box from $285.
- R&D costs for the June quarter were $203,872, with 70% of these related to preparation for the planned phase IIB COVID-Tafenoquine trial.
- Operating expenses were $666,667 for the quarter, roughly the same as during the prior year period.
- Cash used for operations amounted to $1.08 million for the June quarter, up from $410K used in the March quarter.
- As of June 30, 2023, cash and cash equivalents were $19,070. Following the IPO on July 13, we project cash reserves increased to $5.7 million with IPO proceeds.
- Based on current burn rates, we project the company should have enough cash to last approximately 12 months or more before it needs to finance.

Exhibit 19: 60 Degrees Pharmaceuticals, Inc. Annual Historical and Projected Financial Metrics

FYE December ($ mils)	2020	2021	2022	2023	2024
Fiscal Year End: December 31	FY-A	FY-A	FY-A	FY-E	FY-E
Revenue	2.5	6.4	0.5	0.3	0.8
Gross Profit	1.8	5.5	0.1	(0.4)	(0.1)
Operating income (loss)	(0.4)	(1.1)	(1.8)	(3.3)	(3.6)
Net income (loss)	(3.0)	(4.3)	(6.2)	2.1	(3.7)
EPS	NA	NA	(2.41)	(2.02)	(0.63)
Operating cash flow	(0.2)	(0.6)	(1.0)	(2.1)	(3.7)

Source: Company Reports, Ascendiant Capital Markets Estimates

Income Statement. 60 Degrees Pharmaceuticals has derived revenues primarily from research grants and product sales. Research grant revenues have historically derived mostly from a single research grant in the amount of $5.6 million from the US Joint Program Executive Office for Chemical, Biological, Radiological, and Nuclear Defense (JPEO) to study ARAKODA in mild-to-moderate COVID-19 patients. In addition, the company earned a small amount of research grant money from the Australian Tax Authority. The bulk of these funds were used in 2020 and 2021 for R&D. The outlook for additional research grant revenues is unclear at this time, thus we are thus not building any into our forecasts. With respect to product sales, the bulk of past sales were from a 3-year ARAKODA acquisition contract with the US Army Medical and Materiel Development Activity (USAMMDA) that involved purchasing a full lot (7,500 boxes) in 2020 and a half lot (3,750 boxes) in 2022. This contract was granted to support commercialization efforts, following the drug's FDA approval in 2018. Currently, small amounts of ARAKODA are being sold through distribution, though the company has yet to ramp up civilian marketing efforts. While the company has begun to market the product, its greater priority is to broaden the indications for the drug to include COVID and possibly other conditions to expand the potential market. We are currently forecasting revenues of $80,000 in Q3 and $100,000 in Q4 (all from sales of ARAKODA) and $800,000 in FY2024 respectively.

With regards to COGS, we are forecasting $200,000 in both Q323 and Q423, and $827,000 for FY2024, reflecting a gradual ramp in sales. With respect to operating expenses, we are forecasting $650,000 in both Q3 and Q4, and $3.6 million in FY2024, slightly below the 1H2023 run rate of $785,000 per quarter. We are modeling net losses of $781,000 and $811,000, in Q3 and Q4 of 2023, and net losses of $5.6 million and $3.7 million for FY2023 and FY2024, respectively. All of our net loss projections are pro forma, i.e., excluding extraordinary items. We note that the conversion of the bulk of the company's debt burden to equity at the IPO will result in interest savings of $4-5 million per year going forward, making its burn rate more sustainable.

Balance Sheet. 60 Degrees Pharmaceuticals has a relatively modest cash burn rate of less than $1 million per quarter. Following the company's IPO in July, its balance sheet has been fortified with $6.5 million in cash, as well as conversion of $26.4 million in debt to equity. Following this event, we project cash reserves of $5.7 million and long-term debt of $150,000. The company spent $650,000 million and $1 million on operations during FY2021 and FY2022. We forecast an increase to $2.1 million in FY2023 due to higher R&D spending, as well as greater SG&A due to being a public company. Still, we view this as a modest cash-burn rate, given the company's product potential and phase of development. Ultimately, it would appear that break-even revenues from product sales are a few years away, making it important for the company to find additional sources of financing while it works to get marketing approval for ARAKODA as a COVID recovery treatment. Being a public company should enhance the company's access to capital, helping to realize its goal of commercializing and monetizing ARAKODA.

Exhibit 20: 60 Degrees Pharmaceuticals, Inc. Financial Metrics

Exchange:	NasdaqCM
52-week Range:	$0.70-8.65
Shares Outstanding (million):	5.8
Market cap ($million):	$4.5
EV ($million):	($1.2)
Debt ($million):	$0.2
Cash ($million):	$5.9
Avg. Daily Trading Vol. ($ million):	$0.8
Float (million shares):	3.1
Short Interest (million shares):	0.02
Dividend, annual (yield):	NA

Source: Company Reports, Yahoo Finance, Ascendiant Capital Markets Estimates

Initiating Estimates. We are initiating pro forma EPS estimates of ($0.19) for Q3 2023 and ($0.14) for Q4 2023 on revenues of $80,000 and $100,000, respectively. As we are the first analysts to publish on the company, there are currently no consensus estimates. On an annual basis, we are initiating estimates of ($2.02) for FY2023 and ($0.63) for FY2024 on revenues of $260,000 and $800,000, respectively.

Conclusion. We believe investors should be focused on the company's progress in obtaining FDA permission to market ARAKODA for new indications, especially COVID-19, as well as develop a market for ARAKODA in the US and overseas. We believe that the biggest potential variable and challenge to our financial model is the ability of the company to successfully develop the market for ARAKODA, for Malaria and obtain approval to market the drug for COVID. If the company can make significant progress towards these goals, then revenue and earnings will likely be able to grow significantly. However, if the company has difficulties in making progress towards these goals, then revenue growth and profitability may not be achieved or will likely grow at a low rate or even not at all.

FINANCIAL MODEL

60 Degrees Pharmaceuticals, Inc.

Income Statement ($ mils) Fiscal Year End: December 31	2020 FY-A	2021 FY-A	Mar-22 Q2A	Jun-22 Q2A	Sep-22 Q3A	Dec-22 Q4A	2022 FY-A	Mar-23 Q1A	Jun-23 Q2A	Sep-23 Q3E	Dec-23 Q4E	2023 FY-E	Mar-24 Q1E	Jun-24 Q2E	Sep-24 Q3E	Dec-24 Q4E	2024 FY-E
Research Grant Revenues (1,2)	0.4	5.2	0.1	(0.0)	0.2	0.0	0.3	0.0	0.0			0.0					0.0
Product Revenues (3)	2.2	1.1	0.0	0.0	0.2	(0.1)	0.2	0.0	0.1	0.1	0.1	0.3	0.1	0.2	0.2	0.3	0.8
Service Revenues		0.1					0.0					0.0					0.0
Total Revenue	**2.5**	**6.4**	**0.2**	**0.0**	**0.4**	**(0.1)**	**0.5**	**0.0**	**0.1**	**0.1**	**0.1**	**0.3**	**0.1**	**0.2**	**0.2**	**0.3**	**0.8**
Cost Of Goods Sold	0.7	0.9	0.1	0.1	0.1	0.1	0.4	0.1	0.2	0.2	0.2	0.7	0.2	0.2	0.2	0.3	0.9
Gross Profit	**1.8**	**5.5**	**0.1**	**(0.0)**	**0.2**	**(0.2)**	**0.1**	**(0.1)**	**(0.1)**	**(0.1)**	**(0.1)**	**(0.4)**	(0.1)	(0.0)	0.0	0.0	(0.1)
R & D Exp.	0.8	5.5	0.1	0.2	0.2	0.0	0.5	0.1	0.2	0.2	0.2	0.7	0.3	0.3	0.4	0.4	1.4
Selling General & Admin Exp.	1.5	1.1	0.2	0.4	0.3	0.5	1.3	0.8	0.5	0.5	0.5	2.2	0.6	0.6	0.6	0.6	2.2
Other Operating Expense/(Income)	-	-	-	-		-	-	-	-								
Total Operating Expenses	**2.3**	**6.6**	**0.2**	**0.6**	**0.4**	**0.5**	**1.8**	**0.9**	**0.7**	**0.7**	**0.7**	**2.9**	**0.8**	**0.9**	**1.0**	**1.0**	**3.6**
Operating Income	**(0.4)**	**(1.1)**	**(0.2)**	**(0.7)**	**(0.2)**	**(0.7)**	**(1.8)**	**(1.0)**	**(0.8)**	**(0.8)**	**(0.8)**	**(3.3)**	**(0.9)**	**(0.9)**	**(1.0)**	**(0.9)**	**(3.6)**
Interest Expense	(2.6)	(3.2)	(0.8)	(0.9)	(1.2)	(1.1)	(4.0)	(1.1)	(1.1)	(0.0)	(0.0)	(2.3)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Interest and Invest. Income												0.0					
Total Interest and Other Income (Exper	(2.6)	(3.2)	(0.8)	(0.9)	(1.2)	(1.1)	(4.0)	(1.1)	(1.1)	(0.0)	(0.0)	(2.3)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Derivative Expense				(0.5)	0.2	(0.2)	(0.5)		(0.4)			(0.4)					
Change in Fair Value of Derivative Liabilities				(0.0)	(0.0)	0.0	(0.0)	(0.0)	0.0			0.0					
Gain on Debt Extinguishment						0.1	0.1	(0.8)	0.0	9.6		8.8					
Gain in Fair Value of Promissory Note						0.0		0.3	(1.1)			(0.7)					
Other (Expense) Income		0.0	0.0	(0.1)	0.0	(0.0)	(0.0)	0.0	0.0			0.0					
Extra Items	**0.0**	**0.0**	**0.0**	**(0.6)**	**0.2**	**(0.1)**	**(0.4)**	**(0.5)**	**(1.5)**	**9.6**	**0.0**	**7.6**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Earnings Before Tax	**(3.0)**	**(4.3)**	**(0.9)**	**(2.1)**	**(1.2)**	**(1.9)**	**(6.2)**	**(2.6)**	**(3.3)**	**8.8**	**(0.8)**	**2.1**	**(0.9)**	**(0.9)**	**(1.0)**	**(0.9)**	**(3.7)**
Income Tax Expense	0.0	0.0	0.0	0.0	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net Income before Minority Interest	(3.0)	(4.3)	(0.9)	(2.2)	(1.2)	(1.9)	(6.2)	(2.6)	(3.3)	8.8	(0.8)	2.1	(0.9)	(0.9)	(1.0)	(0.9)	(3.7)
Minority Int. in Earnings	(0.0)	(0.0)	0.0	(0.0)	(0.0)	(0.0)	(0.0)	0.0	(0.0)	0.0	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0
Net Income to Common Shareholders	(3.0)	(4.3)	(0.9)	(2.1)	(1.2)	(1.9)	(6.2)	(2.6)	(3.3)	8.8	(0.8)	2.1	(0.9)	(0.9)	(1.0)	(0.9)	(3.7)
Net Income Pro Forma	**(3.0)**	**(4.3)**	**(0.9)**	**(1.6)**	**(1.4)**	**(1.8)**	**(5.7)**	**(2.1)**	**(1.9)**	**(0.8)**	**(0.8)**	**(5.6)**	**(0.9)**	**(0.9)**	**(1.0)**	**(0.9)**	**(3.7)**
Diluted EPS	NA	NA		(0.91)	(0.50)	(0.81)	(2.59)	(1.13)	(1.40)	2.16	(0.14)	0.75	(0.15)	(0.15)	(0.17)	(0.16)	(0.63)
Diluted EPS Pro Forma	**NA**	**NA**		**(0.68)**	**(0.60)**	**(0.76)**	**(2.41)**	**(0.91)**	**(0.79)**	**(0.19)**	**(0.14)**	**(2.02)**	**(0.15)**	**(0.15)**	**(0.17)**	**(0.16)**	**(0.63)**
Weighted Avg. Diluted Shares Out.	NA	NA		2.35	2.38	2.39	2.38	2.30	2.38	4.09	5.80	2.75	5.80	5.80	5.80	5.80	5.80

1) research revenues have historically been derived mostly from a single, awarded research grant in the amount of $5.72 million in 2021 rom the JPEO to study ARAKODA in low risk COVID-19 patients.
2) Research revenues from the Australian Tax Authority were $4,292 in Q1 2023 compared to $22,239 in Q2 2022.
3) The decrease insales was mainly due to end of a 3-year Arakoda US Army acquisition contract that involved purchasing a full lot (7,500 boxes) in 2020 and a half lot (3,750 boxes) in 2021.

Margins																	
Gross margin	72%	87%		-133%	63%	260%	15%	-241%	-194%	-150%	-100%	-149%	-43%	-18%	0%	7%	-9%
R & D Exp.	32%	87%		618%	51%	-62%	103%	578%	325%	188%	200%	257%	179%	176%	182%	148%	169%
Selling General & Admin Exp.	57%	18%		1084%	72%	-599%	255%	3611%	739%	625%	500%	847%	393%	324%	250%	204%	275%
Operating margin	-16%	-18%		-1835%	-60%	921%	-342%	-4429%	-1258%	-963%	-800%	-1253%	-614%	-518%	-432%	-344%	-453%
Net margin	-134%	-64%		-337%	-272%	-379%	-338%	-289%	-500%	1357%	-116%	71%	-109%	-105%	-101%	-99%	-103%
Y/Y % change																	
Revenue		149%															
COGS		21%					-49%	-19%	111%	53%	61%	52%	174%	9%	10%	25%	32%
Gross Profit		198%					-99%	-170%	144%	-153%	-50%	-598%	16%	-75%	-100%	-120%	-82%
R & D Exp.		583%					-90%	97%	-12%	-18%	313%	29%	102%	47%	167%	100%	99%
Selling General & Admin Exp.		-23%					17%	344%	14%	93%	8%	72%	-29%	19%	10%	10%	-2%
Total operating expenses		193%					-72%	278%	5%	47%	36%	59%	-11%	27%	46%	36%	22%
Operating Income		169%					56%	481%	15%	258%	12%	89%	-10%	12%	23%	16%	9%
Net income		40%					45%	185%	55%	-836%	-58%	-134%	-67%	-73%	-111%	16%	-277%
EPS									54%	-528%	-83%	-129%	-87%	-89%	-108%	16%	-184%

Source: Company reports, Ascendiant Capital Markets estimates

60 Degrees Pharmaceuticals, Inc.

Balance Sheet ($ mils) Fiscal Year End: December 31	Dec-20 Q4A	Dec-21 Q4A	Sep-22 Q3A	Dec-22 Q4A	Mar-23 Q1A	Jun-23 Q2A	Sep-23 Q3E	Dec-23 Q4E	Mar-24 Q1E	Jun-24 Q2E	Sep-24 Q3E	Dec-24 Q4E
Current Assets												
Cash And Equivalents	0.19	0.12	0.44	0.26	0.03	0.02	5.91	5.10	4.23	3.34	2.38	1.44
Accounts Receivable	0.86	0.15	0.20	0.05	0.08	0.13	0.13	0.13	0.13	0.13	0.13	0.13
Prepaid Exp.	0.35	0.23	0.16	0.20	4.97	4.85	4.85	4.85	4.85	4.85	4.85	4.85
Deferred Offering Costs				0.07	0.09	0.22						
Inventory	1.04	0.69	0.73	0.52	0.62	0.47	0.47	0.47	0.47	0.47	0.47	0.47
Total Current Assets	**2.44**	**1.18**	**1.52**	**1.10**	**5.79**	**5.67**	**11.35**	**10.54**	**9.67**	**8.78**	**7.82**	**6.88**
Property, Plant & Equipment, net	0.07	0.05	0.03	0.02	0.07	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Right of Use Asset		0.06	0.02	0.01		0.04	0.04	0.04	0.04	0.04	0.04	0.04
Long-Term Prepaid Research					1.53	1.43	1.43	1.43	1.43	1.43	1.43	1.43
Intangible Assets	0.08	0.11	0.11	0.16	0.19	0.21	0.21	0.21	0.21	0.21	0.21	0.21
Deferred Charges, LT												
Other Long-Term Assets	0.01		0.01		-							
Total Assets	**2.61**	**1.39**	**1.69**	**1.30**	**7.59**	**7.36**	**13.03**	**12.22**	**11.35**	**10.46**	**9.50**	**8.56**
LIABILITIES												
Accounts Payable	1.38	0.59	0.45	0.76	0.84	1.06	1.06	1.06	1.06	1.06	1.06	1.06
Lease Liability		0.05	0.03	0.01	0.05	0.04	0.04	0.04	0.04	0.04	0.04	0.04
Deferred Compensation				0.33		0.30	0.30	0.30	0.30	0.30	0.30	0.30
Related Party Notes				0.20	0.49	0.37	0.37	0.37	0.37	0.37	0.37	0.37
Debenture				4.28								
SBA EIDL				0.00		0.01	0.00	0.00	0.00	0.00	0.00	0.00
Promissory Notes at Fair Value				16.86	22.62	23.54	0.00	0.00	0.00	0.00	0.00	0.00
Promissory Notes						1.11	0.00	0.00	0.00	0.00	0.00	0.00
Derivative Liabilities			1.13	1.13		2.08	2.08	2.08	2.08	2.08	2.08	2.08
Derivative Liabilities - Related Parties			0.38	0.36		0.36	0.36	0.36	0.36	0.36	0.36	0.36
Other Current Liabilities	0.06		0.10		1.54							
Short-term Borrowings				0.20	0.49	0.37	0.37	0.37	0.37	0.37	0.37	0.37
Curr. Port. of LT Debt				21.14	22.62	24.65	0.00	0.00	0.00	0.00	0.00	0.00
Total Current Liabilities	**1.43**	**0.64**	**2.09**	**23.92**	**25.54**	**28.86**	**4.21**	**4.21**	**4.21**	**4.21**	**4.21**	**4.21**
Deferred Compensation	0.10	0.15	0.35	0.26	0.26							
Long-Term Leases		0.01										
Debenture	2.60	3.39	4.04									
Related Party Note	3.22		0.10									
SBA EIDL	0.15	0.16	0.16	0.16	0.16	0.15	0.15	0.15	0.15	0.15	0.15	0.15
Promissory Notes	13.16	15.20	17.19	1.11	1.16	1.22	0.00	0.00	0.00	0.00	0.00	0.00
Total Long-Term Debt	19.14	18.74	21.50	1.27	1.32	1.37	0.15	0.15	0.15	0.15	0.15	0.15
Total Liabilities	**20.68**	**19.55**	**23.94**	**25.45**	**27.12**	**30.24**	**4.36**	**4.36**	**4.36**	**4.36**	**4.36**	**4.36**
Members' Capital	0.80	4.98			0.00	0.00						
Common Stock			0.00	0.00								
Additional Paid In Capital		-	5.16	5.16	12.38	12.38	34.80	34.80	34.80	34.80	34.80	34.80
Accumulated Other Comprehensive Ir	0.08	0.08	0.06	0.07	0.07	0.07						
Retained Earnings	(18.38)	(22.63)	(26.89)	(28.82)	(31.42)	(34.75)	(25.93)	(26.74)	(27.61)	(28.50)	(29.46)	(30.40)
Total Common Equity	**(17.50)**	**(17.58)**	**(21.67)**	**(23.58)**	**(18.96)**	**(22.30)**	**8.87**	**8.06**	**7.19**	**6.30**	**5.34**	**4.40**
Minority Interest	(0.57)	(0.58)	(0.58)	(0.57)	(0.57)	(0.58)	(0.20)	(0.20)	(0.20)	(0.20)	(0.20)	(0.20)
Total Equity	**(18.07)**	**(18.15)**	**(22.25)**	**(24.15)**	**(19.53)**	**(22.88)**	**8.67**	**7.86**	**6.99**	**6.10**	**5.14**	**4.20**
Total Liabilities And Equity	**2.61**	**1.39**	**1.69**	**1.30**	**7.59**	**7.36**	**13.03**	**12.22**	**11.35**	**10.46**	**9.50**	**8.56**

	Dec-20 Q4A	Dec-21 Q4A	Sep-22 Q3A	Dec-22 Q4A	Mar-23 Q1A	Jun-23 Q2A	Sep-23 Q3E	Dec-23 Q4E	Mar-24 Q1E	Jun-24 Q2E	Sep-24 Q3E	Dec-24 Q4E
Balance Sheet Drivers												
Accounts Receivable (Days)		2	49	(53)	347	180	141	113	81	66	51	42
Inventory (Days)		10	183	(601)	2610	669	524	419	299	246	190	155
Accounts Payable (Days)		62	313	549	1029	518	476	476	476	476	433	381
Book & Cash Value (per share)												
Book Value per Share (diluted)			(9.36)	(10.09)	(8.20)	(9.93)	3.65	1.92	1.21	2.22	0.89	0.72
Cash per Share (diluted)			0.18	0.11	0.01	0.01	2.48	1.25	0.73	1.21	0.41	0.25
Net cash per Share (diluted)			(8.86)	(9.34)	(10.25)	(11.45)	2.26	1.12	0.64	1.02	0.32	0.16

Source: Company reports, Ascendiant Capital Markets estimates

60 Degrees Pharmaceuticals, Inc.

Cash Flow Statement ($ mils)	2020	2021	Mar-22	Jun-22	Sep-22	Dec-22	2022	Mar-23	Jun-23	Sep-23	Dec-23	2023	Mar-24	Jun-24	Sep-24	Dec-24	2024
Fiscal Year End: December 31	FY-A	FY-A	Q1A	Q2A	Q3A	Q4A	FY-A	Q1A	Q2A	Q3E	Q4E	FY-E	Q1E	Q2E	Q3E	Q4E	FY-E
Net Income	(3.03)	(4.26)	(0.91)	(2.15)	(1.20)	(1.95)	(6.18)	(2.60)	(3.34)	8.82	(0.81)	2.07	(0.87)	(0.89)	(0.96)	(0.94)	(3.66)
Adjustments to Net Income																	
Depreciation	0.03	0.03	0.02	0.02		0.02	0.03		0.02								
Amortization		0.00					0.01	0.33	0.55								
Amortization of Debt Discount		0.60					1.09	0.34									
Amortization of ROU Asset		0.04					0.05	0.01									
Amortization of Note Issuance Costs							0.07	0.04									
Gain on Debt Extinguishment							(0.12)			(9.60)							
Derivative Expense							0.50										
Change in Fair Value of Derivative Liabilities							0.01										
Inventory Reserve		0.04					0.22										
Changes in Operating Assets and Liabilities																	
Change in Acc. Receivable	(0.66)	0.71	(0.03)	0.13		0.15	0.10	(0.04)	(0.04)	0.00	0.00	(0.08)	0.00	0.00	0.00	0.00	0.00
Prepaid and Other		0.14					0.02	0.02									
Change In Inventories	0.19	0.31	(0.04)	(0.02)		(0.02)	(0.05)	(0.11)	0.11	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Change in Inventory Reserves								0.00									
Change in Acc. Payable	0.80	(0.84)	0.09	(0.12)		0.25	0.17	0.08	0.22	0.00	0.00	0.30	0.00	0.00	0.00	0.00	0.00
Accrued Interest		2.57					2.69	0.76									
Reduction of Lease Liability		(0.04)					(0.05)	(0.01)									
Deferred Compensation		0.05					0.43	0.04	0.60								
Stock based Compensation								0.21	0.07								
Gain on Debt Extinguishment								0.84									
Change in Fair Value of Derivatives Liability								0.01									
Change in Fair Value of Promissory Notes								(0.34)									
Other Operating Activities									1.50	0.22	0.00	1.71	0.00	0.00	0.00	0.00	0.00
Net cash used in operating activities	**(0.17)**	**(0.65)**	**(0.10)**	**(0.53)**		**(0.07)**	**(1.01)**	**(0.41)**	**(0.32)**	**(0.57)**	**(0.81)**	**(2.11)**	**(0.87)**	**(0.89)**	**(0.96)**	**(0.94)**	**(3.66)**
Capitalization of Patents		(0.03)					(0.03)	(0.00)	(0.02)								
Purchase of PP&E	-	(0.00)	-	-		-		-	-								
Sale (Purchase) of Intangible assets	(0.07)		(0.00)	(0.00)		(0.06)	(0.03)										
Net cash used in investing activities	**(0.07)**	**(0.04)**	**(0.00)**	**(0.00)**		**(0.06)**	**(0.06)**	**(0.00)**	**(0.02)**	**0.00**	**0.00**	**(0.02)**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
Proceeds from Stock Offering										6.45		6.45					
Payment of Deferred Offering Costs							(0.07)	(0.02)	(0.13)			(0.15)					
Proceeds from Notes Payable							0.80										
Proceeds from Notes Payable - Related Parties		0.68					0.31	0.20	0.70			0.90					
Repayments on Notes Payable - Related Parties		(0.07)							(0.25)			(0.25)					
Proceeds from Advances - Related Party							0.19										
Net cash provided by financing activiti	**0.28**	**0.61**	-	**1.29**		**(0.07)**	**1.22**	**0.18**	**0.32**	**6.45**	**0.00**	**6.96**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
Foreign Exchange Rate Adj.	(0.13)	(0.00)	0.10	(0.11)		0.02	(0.00)	(0.00)	(0.00)								
Net Change in Cash	**(0.10)**	**(0.08)**	**(0.01)**	**0.64**		**(0.18)**	**0.15**	**(0.23)**	**(0.02)**	**5.89**	**(0.81)**	**4.83**	**(0.87)**	**(0.89)**	**(0.96)**	**(0.94)**	**(3.66)**
Cash balance at beginning of period		0.19					0.12	0.26	0.03	0.01	5.90	0.26	5.09	4.22	3.33	2.37	5.09
Cash balance at end of period		**0.12**	**0.00**	**0.00**	**0.44**	**0.26**	**0.26**	**0.03**	**0.01**	**5.90**	**5.09**	**5.09**	**4.22**	**3.33**	**2.37**	**1.43**	**1.43**

Source: Company reports, Ascendiant Capital Markets estimates

ANALYST CERTIFICATION

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60 Degrees Pharmaceuticals, Inc.

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Total return is defined as price appreciation plus dividend yield.

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			Investment Banking Services Past 12 months	
Rating	Count	Percent	Count	Percent
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Sell	1	2%	0	0%
Total	52	100%	16	31%

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