Nyrada Inc.
Appendix 4D
Half-year report

1. Company details

Name of entity:	Nyrada Inc.
ARBN:	625 401 818
Reporting period:	For the half-year ended 31 December 2021
Previous period:	For the half-year ended 31 December 2020

2. Results for announcement to the market

				$
Revenues from ordinary activities	down	92%	to	4,387
Loss from ordinary activities after tax attributable to the owners of Nyrada Inc.	up	4%	to	(2,801,982)
Loss for the half-year attributable to the owners of Nyrada Inc.	up	4%	to	(2,801,982)

Dividends
There were no dividends paid, recommended or declared during the current financial period.

Comments
The loss for the consolidated entity after providing for income tax amounted to $2,801,982 (31 December 2020: $2,689,921).

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	7.82	3.06

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Dividends

Current period
There were no dividends paid, recommended or declared during the current financial period.

Previous period
There were no dividends paid, recommended or declared during the previous financial period.

7. Dividend reinvestment plans

Not applicable.

8. Details of associates and joint venture entities

Not applicable.

9. Foreign entities

Details of origin of accounting standards used in compiling the report:

Although Nyrada Inc. is a company incorporated in Delaware, United States of America, AASB accounting standards have been applied.

10. Audit qualification or review

Details of audit/review dispute or qualification (if any):

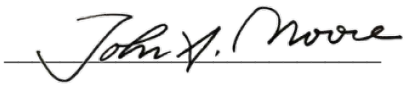
The financial statements were subject to a review by the auditors and the review report is attached as part of the Half year financial report.

11. Attachments

Details of attachments (if any):

The Interim Report of Nyrada Inc. for the half-year ended 31 December 2021 is attached.

12. Signed

Signed 

Date: 25 February 2022

John Moore
Non-Executive Chairman

Nyrada Inc.

ARBN 625 401 818

Half year financial report - 31 December 2021

Nyrada Inc.
Corporate directory
31 December 2021

Directors	John Moore Peter Marks Rüdiger Weseloh Marcus Frampton Christopher Cox Ian Dixon
Company secretary	David Franks
Registered office in Australia and principal place of business	Suite 2, Level 3 828 Pacific Highway Gordon, NSW 2072 Australia Tel: +61 2 9053 1990
Registered office in place of incorporation	1209 Orange Street Wilmington, Delaware 19801 United States of America
Share/CDI register	Automic Pty Ltd Level 5, 126 Phillip Street Sydney, NSW 2000
Auditor	William Buck Audit (Vic) Pty Ltd Level 20, 181 William Street Melbourne, VIC 3000
Stock exchange listing	Nyrada Inc. instruments registered for trade on the Australian Securities Exchange are CHESS Depositary Interests (CDIs). One CDI is equivalent to one Share, being Class A Common Stock. (ASX Code: NYR)
Website	www.nyrada.com

Nyrada Inc.
Contents
31 December 2021

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Nyrada Inc. (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2021.

Directors

The following persons were directors of Nyrada Inc. during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

John Moore	Non-Executive Chairman
Peter Marks	Non-Executive Director
Rüdiger Weseloh	Non-Executive Director
Marcus Frampton	Non-Executive Director
Christopher Cox	Non-Executive Director
Ian Dixon	Non-Executive Director

Principal activities

Nyrada is a preclinical stage, drug discovery and development company, specialising in novel small molecule drugs to treat cardiovascular and neurological diseases. The Company has two main programs, each targeting market sectors of significant size and considerable unmet clinical need. These programs are developing a cholesterol lowering drug and a drug to treat brain injury, specifically traumatic brain injury and stroke.

Nyrada Inc. is incorporated in the state of Delaware, USA and is registered as a foreign company in Australia.

Financial results

The loss for the consolidated entity after providing for income tax amounted to $2,801,982 (31 December 2020: $2,689,921).

The half-year ended 31 December 2021 operating results included the following

- Research and development expenditure of $1,134,188 (31 December 2020: $1,053,283);
- Corporate and administration expenses of $358,652 (31 December 2020: $557,838); and
- Share based payment expense of $543,293 (31 December 2020: $535,225)

The cash position as at 31 December 2021 was $11,104,670 (31 December 2020: $4,056,803 and 30 June 2021 $13,750,743).

Review of operations

During the first half of the 2022 financial year, Nyrada continued to report encouraging data from its two lead programs developing new and novel drugs to treat brain injury and high cholesterol. The Company is focussed on completing the required preclinical studies as both programs advance towards Phase I first-in-human trials, to be run in Australia in the first half of the 2023 financial year.

Cholesterol-Lowering Program

Nyrada's Cholesterol-Lowering Program aims to deliver the first-ever, single oral pill treatment that can be used with, or without, a statin to lower LDL cholesterol (bad cholesterol) and prevent cardiovascular disease. Its preclinical candidate is called NYX-PCSK9i and inhibits the function of a protein called PCSK9 that regulates LDL cholesterol in the body.

NYX-PCSK9i targets an exceptionally large cholesterol-lowering market dominated by statins. In the US alone, 27 million adults take a statin drug for high cholesterol, yet they are suboptimal for 70% of patients and often poorly tolerated[1]. Many of these patients will augment their therapy with an injectable PCSK9 inhibitor to improve efficacy.

Nyrada's drug aims to replace expensive and inconvenient injectable PCSK9 inhibitor drugs and could be taken on its own or in combination with a statin. NYX-PCSK9i has already been shown *in vivo* to reduce total cholesterol by 65% when given in combination with a statin, outperforming Pfizer's Lipitor® (atorvastatin), which reduced cholesterol by 27%.

During the half year, exploratory analysis results from an *in vivo* cholesterol efficacy study showed NYX-PCSK9i significantly increased plasma PCSK9 levels, supporting the mechanism of action of Nyrada's compound. The 35-day study used a specialised mouse model genetically modified to mimic human-like characteristics concerning cholesterol metabolism and cardiovascular health (APOE*3-Leiden.CETP mouse model). NYX-PCSK9i was dosed at 50mg/kg as a monotherapy and in combination with the statin drug Lipitor® with no adverse effects identified.

During the study, NYX-PCSK9i also significantly increased the number of LDL receptors responsible for removing cholesterol from the bloodstream, with further analysis revealing Nyrada's compound also enhances cholesterol clearance from the body.

Preclinical Studies

Charles River Laboratories, Inc. has been appointed to conduct the Company's preclinical studies in the US in the second half of FY2022, ahead of a Phase I cholesterol-lowering trial in Australia during the first half of FY2023. The required preclinical studies will be used to evaluate the safety and tolerability of Nyrada's drug in research models. Data from these studies will determine the safe starting dose for the Phase I first-in-human study.

Phase I Study

The Phase I study will be a first-in-human, double-blind, randomised, dose escalation design evaluating the safety, tolerability, and pharmacokinetics of Nyrada's leading drug candidate in approximately 56 healthy volunteers, aged 18 to 50 years. The Company will also evaluate efficacy by measuring changes in LDL cholesterol levels in the blood.

Nyrada's drug candidate will be administered to participants as a once daily oral dose over the 14-day treatment period, to assess safety, tolerability, and efficacy. In the trial, participants will be split into 7 groups of 8, with each person in groups 1-5 receiving a single dose of Nyrada's drug candidate or placebo, whilst healthy volunteers in groups 6 and 7 will receive a dose of Nyrada's drug candidate or placebo over 14 days. Pathology samples and data will be collected at selected time points over the trial period for all groups.

Pending scale-up manufacturing of the drug and ethics committee approval of the trial protocol, recruitment and dosing of the first participant is expected to commence in the first half of FY2023.

Intellectual Property

Nyrada's medicinal chemistry program continued to generate further promising PCSK9 inhibitor analogues, which enabled the Company to file a Patent Cooperation Treaty (PCT) application for new generation PCSK9 inhibitor compounds in December 2021. A PCT application makes it possible to seek protection for an invention simultaneously in a large number of countries by filing a single "international" patent application, instead of filing several separate national or regional applications.

1 Wong ND et al. Prevalence of the American College of Cardiology/American Heart Association statin eligibility groups, statin use, and low-density lipoprotein cholesterol control in US. J Clin Lipidology. 2016

The PCT application builds on the patent granted by the US Patent and Trademark Office in the first half of FY2022 entitled, "Heterocyclic Inhibitors of PCSK9", marking the first patent for the Company's Cholesterol-Lowering Program. The composition of matter patent provides protection for Nyrada's intellectual property relating to its PCSK9 inhibitor technology in the US, and forms part of the Company's active IP strategy. The Company's corresponding European Patent is in the final stages of examination.

Brain Injury Program

Nyrada's Brain Injury Program is developing a neuroprotectant drug to reduce secondary brain injury and the long-term disabling health impacts associated with stroke and traumatic brain injury (TBI). Annually, there are 800,000 strokes[2] in the US and 2.8 million TBIs[3] indicating a large unmet patient need for an effective FDA-approved drug for both indications.

In the US, TBIs disable six times more people each year than spinal cord injuries, multiple sclerosis, HIV/AIDS and breast cancer combined.3 Presently, treatment options are limited to neurosurgery and supportive care.

Brain injury typically consists of the primary damage which occurs acutely, followed by a secondary injury that occurs in the subsequent hours and days after the initial injury. This secondary injury is caused by a process called excitotoxicity which can double the total injury size. Nyrada's novel compounds inhibit excitotoxicity by limiting the build-up of calcium ions in brain cells that activate cell-death pathways and inflammation.

Preclinical TBI Efficacy Study

The efficacy of Nyrada's brain injury drug candidate will be evaluated in a study to be run as part of the three-way collaboration the Company has with UNSW Sydney and the Walter Reed Army Institute of Research (WRAIR). A pilot study is being conducted to optimise the design of the efficacy study, specifically to refine the location and extent of injury in each brain injury model and select optimal timepoints to assess a therapeutic effect of Nyrada's drug in preventing secondary brain injury.

Brain samples from the Controlled Cortical Impact and Penetrating Ballistic Brain Injury models have been collected from WRAIR and are undergoing assessment at the Translational Neuroscience Facility of UNSW, utilising their sophisticated MRI technology (T2-weighted and Fractional Anisotropy MRI) to establish the nature and extent of injury. This reflects brain imaging technology used in hospital emergency rooms.

The data from the pilot study will allow Nyrada to ascertain the number of animals that will be required to provide a meaningful assessment of the therapeutic effect of the Company's drug.

Testing Nyrada's Brain Injury Drug Candidate in Stroke

The efficacy of Nyrada's brain injury drug candidate will be evaluated in a well-established preclinical model of stroke during the third quarter of FY2022. The model is called the Photothrombotic Model of Ischemia, where localised clot formation is achieved in a specific brain region, leading to a stroke. This model was previously used by Nyrada to test the efficacy of its first-generation molecule, which showed a promising efficacy signal.

This work in stroke is outside of the studies being undertaken as part of Nyrada's collaboration with WRAIR and UNSW. WRAIR's focus remains solely on developing a drug to mitigate the impact of TBI on military service members.

A key advantage of the drug Nyrada is developing is it can be administered to stroke and TBI patients in the same manner, by way of intravenous dosing over a 3-day period, which is matched to patient emergency hospital admission

[2] US Centers for Disease Control and Prevention: https://www.cdc.gov/stroke/index.htm
[3] Brain Injury Alliance (Connecticut): http://www.biact.org/understanding-brain-injury/brain-injury-facts-statistics

Phase I Study

Nyrada expects to commence a Phase I first-in-human study for its Brain Injury Program in the first half of FY2023. The Phase I study will be run in Australia and will evaluate the safety and tolerability of the Company's brain injury drug candidate. Nyrada will provide an update on the preclinical studies with WRAIR and UNSW, as well selection of the contract research organisation and study design for the Phase I study in the first half of this year.

Outlook

Nyrada is advancing strongly towards clinical trials to become a clinical stage company. Both its lead drug development programs are expected to enter Phase I first-in-human trials in the first half of FY2023. These studies will be run in Australia. An efficacy signal in the Cholesterol-Lowering Phase I trial will be a significant milestone for Nyrada and is likely to attract collaborator interest. Additionally, a positive read out from the Phase I study for the Brain Injury Program could support the development of Nyrada's drug in both TBI and stroke indications.

Prior to the commencement of clinical trials, the Company is looking forward to working with Charles River on the Cholesterol-Lowering Program's safety pharmacology and toxicology studies during the second half of FY2022. Nyrada will be providing updates on the results of these studies as data becomes available.

The Company will also be reporting on the results of testing its Brain Injury drug candidate in a preclinical model of stroke during the third quarter of FY2022.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the consolidated entity during the financial half-year.

Matters subsequent to the end of the financial half-year

On 12 January 2022 the Company received its 2021FY Research and Development tax incentive refund.

On 17 January 2022 shares were released from escrow.

No other matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Dividends

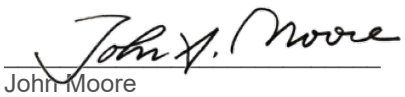
There were no dividends paid, recommended or declared during the current or previous financial half-year.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act* 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



John Moore
Non-Executive Chairman

25 February 2022

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF NYRADA INC

I declare that, to the best of my knowledge and belief, during the half year ended 31 December 2021 there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

William Buck

William Buck Audit (Vic) Pty Ltd
ABN: 59 116 151 136

N. S. Benbow
Director

Melbourne, 25th February 2022

ACCOUNTANTS & ADVISORS
Level 20, 181 William Street
Melbourne VIC 3000
Telephone: +61 3 9824 8555
williambuck.com

Nyrada Inc.
Consolidated statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2021

	Note	31 Dec 2021 $	31 Dec 2020 $
Revenue			
Other income		4,387	51,649
Expenses			
Employee benefits expense - share based payments		(543,293)	(535,225)
Employee benefits expense		(767,324)	(592,989)
Depreciation expense		(1,526)	(789)
Research and development costs		(1,134,188)	(1,053,283)
Finance costs		(1,386)	(1,446)
Corporate and administration expenses		(358,652)	(557,838)
Loss before income tax expense		(2,801,982)	(2,689,921)
Income tax expense		-	-
Loss after income tax expense for the half-year attributable to the owners of Nyrada Inc.		(2,801,982)	(2,689,921)
Other comprehensive income for the half-year, net of tax		-	-
Total comprehensive income for the half-year attributable to the owners of Nyrada Inc.		(2,801,982)	(2,689,921)
		Cents	**Cents**
Basic earnings per share	12	(1.79)	(2.46)
Diluted earnings per share	12	(1.79)	(2.46)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Nyrada Inc.
Consolidated statement of financial position
As at 31 December 2021

	Note	31 Dec 2021 $	30 Jun 2021 $
Assets			
Current assets			
Cash and cash equivalents		11,104,670	13,750,743
Trade and other receivables	5	1,361,224	1,359,133
Prepayments		216,931	1,688
Total current assets		12,682,825	15,111,564
Non-current assets			
Plant and equipment		8,547	8,443
Intangibles		37,000	37,000
Total non-current assets		45,547	45,443
Total assets		12,728,372	15,157,007
Liabilities			
Current liabilities			
Trade and other payables	6	388,695	588,029
Employee benefits		106,740	77,352
Total current liabilities		495,435	665,381
Total liabilities		495,435	665,381
Net assets		12,232,937	14,491,626
Equity			
Issued capital	7	25,320,332	25,320,332
Reserves	8	5,270,206	4,726,913
Accumulated losses		(18,357,601)	(15,555,619)
Total equity		12,232,937	14,491,626

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

Nyrada Inc.
Consolidated statement of changes in equity
For the half-year ended 31 December 2021

	Issued capital $	Reserves $	Accumulated losses $	Total equity $
Balance at 1 July 2020	15,607,349	2,204,324	(12,285,073)	5,526,600
Loss after income tax expense for the half-year	-	-	(2,689,921)	(2,689,921)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive income for the half-year	-	-	(2,689,921)	(2,689,921)
Transactions with owners in their capacity as owners:				
Vesting of share based payments	-	535,225	-	535,225
Issue of Common Stock	17,382	-	-	17,382
Balance at 31 December 2020	15,624,731	2,739,549	(14,974,994)	3,389,286

	Issued capital $	Reserves $	Accumulated losses $	Total equity $
Balance at 1 July 2021	25,320,332	4,726,913	(15,555,619)	14,491,626
Loss after income tax expense for the half-year	-	-	(2,801,982)	(2,801,982)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive income for the half-year	-	-	(2,801,982)	(2,801,982)
Vesting of share based payments	-	543,293	-	543,293
Balance at 31 December 2021	25,320,332	5,270,206	(18,357,601)	12,232,937

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

Nyrada Inc.
Consolidated statement of cash flows
For the half-year ended 31 December 2021

	31 Dec 2021 $	31 Dec 2020 $
Cash flows from operating activities		
Payments to suppliers (inclusive of GST)	(2,510,724)	(2,200,132)
R & D tax incentive received	-	1,076,173
Grant income	-	50,000
Interest received	4,387	769
Net cash used in operating activities	(2,506,337)	(1,073,190)
Cash flows from investing activities		
Payments for plant and equipment	(2,465)	-
Net cash used in investing activities	(2,465)	-
Cash flows from financing activities		
Proceeds from exercise of share options	-	17,382
Repayment of proceeds from other financing activities	(44,521)	-
Transaction costs relating to issue of Common Stock	(224,440)	-
Net cash from/(used in) financing activities	(268,961)	17,382
Net decrease in cash and cash equivalents	(2,777,763)	(1,055,808)
Cash and cash equivalents at the beginning of the financial half-year	13,750,743	5,146,169
Effects of exchange rate changes on cash and cash equivalents	131,690	(33,558)
Cash and cash equivalents at the end of the financial half-year	11,104,670	4,056,803

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

1. General information

The financial statements cover Nyrada Inc. as a consolidated entity consisting of Nyrada Inc. and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Nyrada Inc.'s functional and presentation currency.

Nyrada Inc is a company incorporated in the State of Delaware in the United States and registered in Australia as a foreign company. As a foreign company registered in Australia, Nyrada Inc is subject to different reporting and regulatory regimes than Australian public companies.

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 25 February 2022.

2. Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2021 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2021 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted in the preparation of the financial statements are consistent with policies in the annual report for the year ended 30 June 2021.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Coronavirus (COVID-19) pandemic
Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the consolidated entity based on known information. This consideration extends to the nature of the supply chain, staffing and geographic regions in which the consolidated entity operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the consolidated entity unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

3. Critical accounting judgements, estimates and assumptions (continued)

Share-based payment transactions
The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

4. Operating segments

From the period beginning 1 July 2021 the Board considers that the consolidated entity has only operated in one Segment being research and development of drugs focusing on small molecules with potential therapeutic benefit in areas of significant medical needs and it operates in one geographical area being Australasia. The financial information presented in the statement of financial performance and statement of financial position represents the information for the business segment.

5. Trade and other receivables

	31 Dec 2021 $	30 Jun 2021 $
Current assets		
R&D Tax Incentive Receivable	1,309,650	1,309,650
Other receivables	51,574	49,483
	1,361,224	1,359,133

On 12 January 2022 the Company received its 2021FY Research and Development tax incentive refund.

6. Trade and other payables

	31 Dec 2021 $	30 Jun 2021 $
Current liabilities		
Trade payables	94,904	87,195
Accrued expenses	271,618	433,428
Other payables	22,173	67,406
	388,695	588,029

7. Issued capital

	31 Dec 2021 Shares	30 Jun 2021 Shares	31 Dec 2021 $	30 Jun 2021 $
Ordinary shares - fully paid	156,008,700	156,008,700	25,320,332	25,320,332

7. Issued capital (continued)

	31 Dec 2021 Shares	30 Jun 2021 Shares	31 Dec 2021 $	30 Jun 2021 $
At the beginning of reporting period/year	156,008,700	109,383,722	25,320,332	15,607,349
Issue of Common Stock	-	44,231,154	-	11,500,899
Less: Share placement costs	-	-	-	(782,537)
Issue of Common Stock upon exercising of options	-	1,441,901	-	369,680
Issue of Common Stock - Advisors	-	951,923	-	304,615
Share-based payments - exercise of options	-	-	-	183,152
Less: Share-based payments - Broker options	-	-	-	(1,214,494)
Less: Share-based payments reclassification in share capital	-	-	-	(648,332)
At the end of reporting period/year	156,008,700	156,008,700	25,320,332	25,320,332

Common stock
The Company has CHESS Depositary Interests (CDIs) quoted on the Australian Securities Exchange (ASX) trading under the ASX code NYR. Each CDI represents an interest in one share of Class A Common Stock of the Company (Share).

Legal title to the Shares underlying the CDIs is held by CHESS Depositary Nominees Pty Ltd (CDN), a wholly owned subsidiary of the ASX. The Company's securities are not quoted on any other exchange.

CDI Holders are entitled to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held.

CDI Holders may attend and vote at Nyrada's general meetings. The Company must allow CDI Holders to attend any meeting of Shareholders unless relevant U.S. law at the time of the meeting prevents CDI Holders from attending those meetings.

Share buy-back
There is no current on-market share buy-back.

8. Reserves

	31 Dec 2021 $	30 Jun 2021 $
Share-based payments reserve	5,270,206	4,726,913

Share-based payments reserve
The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services. During the review period no options were issued and there were no change to inputs on option valuation.

	31 Dec 2021 $	30 Jun 2021 $
Balance at beginning of period/year	4,726,913	2,204,324
Share-based payments - Broker options	-	1,214,494
Share-based payments - reclassification in share capital	-	648,332
Share-based payments - exercise of options	-	(183,152)
Share-based payments - lapse of options	-	(268,707)
Share-based payments - vesting	543,293	1,111,622
	5,270,206	4,726,913

8. Reserves (continued)

There were no new share based payment arrangements granted in the period, however the charge represents the vesting of share based payments arrangements from prior periods.

9. Dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

10. Commitments and contingencies

There are no significant commitments and contingencies at balance date in the current or prior reporting periods.

11. Events after the reporting period

On 12 January 2022 the Company received its 2021FY Research and Development tax incentive refund.

On 17 January 2022 shares were released from escrow.

No other matter or circumstance has arisen since 31 December 2021 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

12. Earnings per share

	31 Dec 2021 $	31 Dec 2020 $
Loss after income tax attributable to the owners of Nyrada Inc.	(2,801,982)	(2,689,921)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	156,861,207	109,400,342
Weighted average number of ordinary shares used in calculating diluted earnings per share	156,861,207	109,400,342
	Cents	**Cents**
Basic earnings per share	(1.79)	(2.46)
Diluted earnings per share	(1.79)	(2.46)

Options are not considered to be dilutive therefore options are not included in the calculation of diluted loss per share. As at the reporting date there are 16,000,000 options (2020: 4,000,000) issued and in the money that could potentially dilute basic earnings per share in the future, but were not included in the calculation of diluted earnings per share because they are anti-dilutive for the periods presented.

Nyrada Inc.
Directors' declaration
31 December 2021

In the directors' opinion:

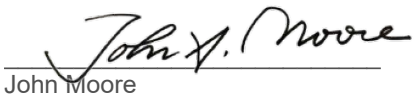
- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2021 and of its performance for the financial half-year ended on that date; and

- there are reasonable grounds to believe that the consolidated entity will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



John Moore
Non-Executive Chairman

25 February 2022

Nyrada Inc

Independent auditor's review report

Report on the Review of the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Nyrada Inc (the Company) and the entities it controlled at the half-year's end or from time to time during the half year (the consolidated group), which comprises the consolidated statement of financial position as at 31 December 2021, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Nyrada Inc is not in accordance with the *Corporations Act 2001* including:

a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2021 and of its performance for the half year ended on that date; and
b) complying with Australian Accounting Standard 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE *2410 Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibility of Management for the Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

ACCOUNTANTS & ADVISORS
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Auditor's Responsibilities for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2021 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

William Buck

William Buck Audit (Vic) Pty Ltd
ABN: 59 116 151 136

N. S. Benbow
Director

Melbourne, 25th February 2022