



13 October 2023

Sydney, Australia

Nyrada Quarterly Activities Report & Appendix 4C

Highlights:

- **Cholesterol-Lowering Program:**
 - New PCSK9 inhibitor candidate identified and progressing to assessment.
 - Alternative applications for NYX-1492 investigated.
 - Peer-reviewed journal paper noting anti-inflammatory properties of NYX-1492 to be published.
- **Brain Injury Program:**
 - Presentation on pathophysiological role of TRPC ion channels delivered at US Department of Defense Military Health System Research Symposium.
 - Formulation work and planning for NYX-BI03 Good Laboratory Practice (GLP) study.
 - Peer-reviewed journal paper published validating the pathophysiological role of TRPC ion channels in preventing brain injury progression.
- **Sound position:**
 - R&D tax rebate of \$3.2 million expected (subject to Government agency review).
 - Pursuing non-dilutive funding opportunities in Australia and US.
 - Cash position of \$2.3 million as at 30 September 2023.

Nyrada Inc (ASX: NYR), a drug development company specialising in novel small molecule drugs to treat cardiovascular and neurological diseases today provides its Quarterly Activities Report and Appendix 4C for the period ending 30 September 2023, and a summary of progress for its Cholesterol Lowering and Brain Injury Programs.

Commenting on the quarter, Nyrada CEO, James Bonnar said: “The Nyrada team continues to strive to develop treatments for diseases where there is an unmet clinical need, or where current treatments are suboptimal. Our energies in the first quarter of the 2024 financial year have been focused on a reset of our Cholesterol Lowering program and moving our Brain Injury program closer towards the clinic.



“We have identified an alternative PCSK9 inhibitor candidate which is currently being synthesised for analysis and assessment while also exploring other indications for NYX-1492. Our Brain Injury program continues to move towards a Phase I clinical trial with planning and design work for GLP safety and toxicology studies progressing. We are working towards commencing an in-human clinical trial for our Brain Injury candidate, NYX-BI03, in the third quarter of the 2024 calendar year.

“The team is additionally actively pursuing non-dilutive funding opportunities via research grant applications in both Australia and the US.

“The Company continues to work diligently towards achieving its strategic goals.”

Program Update

Cholesterol Lowering Program

Nyrada remains of the view that a small molecule PCSK9 inhibitor is the optimal approach for managing hypercholesterolemia. Accordingly, the Company has identified an alternative candidate and is currently synthesising a sufficient quantity to initiate testing during 2QFY2024.

Evidencing the anti-inflammatory properties of NYX-1492, a peer-reviewed research paper jointly written by scientists from Columbia University, Duke University, and Nyrada will soon be published in APL Bioengineering. This research paper builds upon earlier work undertaken at Duke University. Nyrada’s Chief Scientific Officer, Dr. Benny Evison, and Director of Preclinical Development Dr. Alexandra Suchowska were co-authors of this paper.

This research showed that NYX-1492 blocked the early stages of atherosclerotic plaque progression using novel tissue engineered blood vessels. Nyrada’s PCSK9 inhibitor precluded monocyte adhesion and suppressed the expression of inflammatory cytokines, both of which are key mediators of the disease process.

During the quarter, work was also undertaken to assess potential alternative applications for NYX-1492 given the strong anti-inflammatory effects identified. Although the anti-inflammatory effect was confirmed via several biomarkers, the magnitude was insufficient to warrant further development.

While Nyrada is not progressing with NYX-1492 as a cholesterol lowering treatment, this research has expanded the Company’s understanding of the drug’s function in the body, thereby supporting subsequent candidate development.



Brain Injury Program

During the quarter, a stroke model study for the Company's lead brain injury program candidate NYX-BI03 commenced with the drug well tolerated when administered at two doses. The model is based on inducing an ischemic stroke. Biomarker levels are currently being analysed and MRI assessments to measure the drug's impact in preventing secondary brain injury are soon to commence. The Company intends to update the market on the combined results once this work has been completed.

The Company also advanced the formulation and planning work necessary to progress NYX-BI03 to commence Good Laboratory Practice (GLP) safety and toxicology studies. Satisfactory completion of GLP studies is a prerequisite for commencing a human clinical trial.

Subject to GLP studies, the Company estimates that a Phase I clinical trial for NYX-BI03 will commence in the third quarter of the 2024 calendar year. A Contract Research Organisation (CRO) has been engaged for this purpose.

Additionally, during the quarter, a peer-reviewed research paper with Nyrada's neuroscientist Dr. Jasneet Parmar as lead author was published in the Translational Stroke Research journal. This paper, co-authored with SAB Chair and UNSW Scientia Professor Gary Housley, described the work validating the pathophysiological role of TRPC ion channels in brain injury progression, showing that animals lacking the target TRPC ion channels were protected against expansion of a photothrombotic-induced stroke infarct in the days following injury.

Dr. Parmar also presented on Nyrada's brain injury program at the US Military Health System Research Symposium during the quarter.

Corporate and Financial Update

As at 30 September 2023, Nyrada had a cash position of A\$2.3 million (A\$3.7 million as at 30 June 2023). Total cash operating outflows for the September 2023 quarter were approximately A\$1.4 million (A\$2.9 million for the quarter ending 30 June 2023).

On 20 July 2023, the Company announced a review of operating costs and financial plans. As part of the review, the Nyrada Board of Directors voluntarily agreed to halve their director fees until further notice reducing the Company's annualised operating outflows by approximately \$0.3 million. Further cost-reduction opportunities are being evaluated.

Nyrada also advises that, further to its FY23 audited financial accounts released on 28 August 2023, the Company may be eligible for a Research and Development (R&D) Tax Incentive refund of an additional \$1.9 million to a total of A\$3.2 million. This benefit is pending the eligibility of its overseas research expenditure on the cholesterol lowering program.



Nyrada will imminently lodge a claim and emphasises that the estimated R&D incentive refund is pursuant to the Australian Commonwealth Government's R&D tax incentive program and is subject to Department of Industry and Australian Tax Office review. There is no certainty as to the ultimate quantum that may be received, however, any benefit received is expected to be paid in 2QFY2024.

Parallel to other activities, Nyrada is also actively pursuing non-dilutive funding opportunities via research grant applications in both Australia and the US.

During the quarter, Professors David Burke and Gilles Lambert retired from the Company's Scientific Advisory Board. They remain available to consult to the Company should there be a future need. This reduction was part of the Company's review of operating costs and financial plans.

In accordance with Listing Rule 4.7C, payments made to related parties and their associates included in item 6.1 of the Appendix 4C was approximately A\$135,000 and included Director fees (approximately A\$148,000 in the prior corresponding period).

-ENDS-



About Nyrada Inc

Nyrada is a 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 are a cholesterol lowering drug and a drug to treat brain injury, specifically traumatic brain injury and stroke. Nyrada Inc. ARBN 625 401 818 is a company incorporated in the state of Delaware, US, and the liability of its stockholders is limited.

www.nyrada.com

Authorised by Mr. John Moore, Non-Executive Chair on behalf of the Board.

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Forward-Looking Statements

This announcement may contain forward-looking statements. You can identify these statements by the fact they use words such as “aim”, “anticipate”, “assume”, “believe”, “continue”, “could”, “estimate”, “expect”, “intend”, “may”, “plan”, “predict”, “project”, “plan”, “should”, “target”, “will” or “would” or the negative of such terms or other similar expressions. Forward-looking statements are based on estimates, projections, and assumptions made by Nyrada about circumstances and events that have not yet taken place. Although Nyrada believes the forward-looking statements to be reasonable, they are not certain. Forward-looking statements involve known and unknown risks, uncertainties and other factors that are in some cases beyond the Company’s control that could cause the actual results, performance, or achievements to differ materially from those expressed or implied by the forward-looking statement.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Nyrada Inc.

ABN

54 625 401 818

Quarter ended ("current quarter")

30 September 2023

| Consolidated statement of cash flows | Current quarter \$A'000 | Year to date (3 months) \$A'000 |
|---|------------------------------------|--|
| 1. Cash flows from operating activities | | |
| 1.1 Receipts from customers | - | - |
| 1.2 Payments for | | |
| (a) research and development | (778) | (778) |
| (b) product manufacturing and operating costs | - | - |
| (c) advertising and marketing | - | - |
| (d) leased assets | - | - |
| (e) staff costs | (285) | (285) |
| (f) administration and corporate costs | (400) | (400) |
| 1.3 Dividends received (see note 3) | - | - |
| 1.4 Interest received | 29 | 29 |
| 1.5 Interest and other costs of finance paid | - | - |
| 1.6 Income taxes paid | - | - |
| 1.7 Government grants and tax incentives | - | - |
| 1.8 Other (provide details if material) | - | - |
| 1.9 Net cash from / (used in) operating activities | (1,434) | (1,434) |
| 2. Cash flows from investing activities | | |
| 2.1 Payments to acquire or for: | | |
| (a) entities | - | - |
| (b) businesses | - | - |
| (c) property, plant and equipment | - | - |
| (d) investments | - | - |
| (e) intellectual property | - | - |
| (f) other non-current assets | - | - |

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (3 months) \$A'000 |
|--------------------------------------|---|----------------------------|---------------------------------------|
| 2.2 | Proceeds from disposal of: | | |
| | (a) entities | - | - |
| | (b) businesses | - | - |
| | (c) property, plant and equipment | - | - |
| | (d) investments | - | - |
| | (e) intellectual property | - | - |
| | (f) other non-current assets | - | - |
| 2.3 | Cash flows from loans to other entities | - | - |
| 2.4 | Dividends received (see note 3) | - | - |
| 2.5 | Other (provide details if material) | - | - |
| 2.6 | Net cash from / (used in) investing activities | - | - |

| | | | |
|-------------|---|----------|----------|
| 3. | Cash flows from financing activities | | |
| 3.1 | Proceeds from issues of equity securities (excluding convertible debt securities) | - | - |
| 3.2 | Proceeds from issue of convertible debt securities | - | - |
| 3.3 | Proceeds from exercise of options | - | - |
| 3.4 | Transaction costs related to issues of equity securities or convertible debt securities | - | - |
| 3.5 | Proceeds from borrowings | - | - |
| 3.6 | Repayment of borrowings | - | - |
| 3.7 | Transaction costs related to loans and borrowings | - | - |
| 3.8 | Dividends paid | - | - |
| 3.9 | Other (provide details if material) | - | - |
| 3.10 | Net cash from / (used in) financing activities | - | - |

| | | | |
|-----------|--|---------|---------|
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 3,709 | 3,709 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (1,434) | (1,434) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | - | - |

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (3 months) \$A'000 |
|---|--|------------------------------------|--|
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | - | - |
| 4.5 | Effect of movement in exchange rates on cash held | | |
| 4.6 | Cash and cash equivalents at end of period | 2,275 | 2,275 |

| 5. | Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter \$A'000 | Previous quarter \$A'000 |
|------------|---|------------------------------------|-------------------------------------|
| 5.1 | Bank balances | 2,275 | 3,709 |
| 5.2 | Call deposits | - | - |
| 5.3 | Bank overdrafts | - | - |
| 5.4 | Other (provide details) | - | - |
| 5.5 | Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 2,275 | 3,709 |

| 6. | Payments to related parties of the entity and their associates | Current quarter \$A'000 |
|---|---|------------------------------------|
| 6.1 | Aggregate amount of payments to related parties and their associates included in item 1 | 135 |
| 6.2 | Aggregate amount of payments to related parties and their associates included in item 2 | - |
| <i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i> | | |

The amount at 6.1 includes Director fees and salary (including superannuation) and consulting fees for directors and related parties. On 20 July 2023 the Company had undertaken a cost-cutting initiative including reducing the Boards fees by 50%. As directors are paid in arrears the majority of the fees paid in the quarter ending 30 September 2023 were at full rates.

| 7. Financing facilities | Total facility amount at quarter end \$A'000 | Amount drawn at quarter end \$A'000 |
|---|---|--|
| <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i> | | |
| 7.1 Loan facilities | - | - |
| 7.2 Credit standby arrangements | - | - |
| 7.3 Other (please specify) | - | - |
| 7.4 Total financing facilities | - | - |
| 7.5 Unused financing facilities available at quarter end | | - |
| 7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well. | | |
| | | |

| 8. Estimated cash available for future operating activities | \$A'000 |
|---|----------------|
| 8.1 Net cash from / (used in) operating activities (item 1.9) | (1,434) |
| 8.2 Cash and cash equivalents at quarter end (item 4.6) | 2,275 |
| 8.3 Unused finance facilities available at quarter end (item 7.5) | - |
| 8.4 Total available funding (item 8.2 + item 8.3) | 2,275 |
| 8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1) | 1.6 |
| <i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i> | |
| 8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions: | |
| 8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not? | |
| Answer: During the quarter ending 30 September 2023, the Company incurred R&D closing out costs in relation to the GLP safety and toxicology studies for its cholesterol lowering program. The Company announced on 26 June 2023 that its NYX-1492 cholesterol-lowering drug candidate will not be taken forward into the planned Phase I/IIa clinical trial. Consequently, the Company is considering its path forward for the cholesterol lowering program, and as a result expects operating cash flows to further reduce. Operating expenditure decreased to \$1.4 million from \$2.9 million in the prior quarter and the Company expects to receive a material R&D tax incentive refund, estimated to be received in the December 2023 quarter. | |
| 8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful? | |
| Answer: The Company is considering its capital requirements as part of the review and analysis of the cholesterol lowering program. The Company will continue to discuss its funding plan with its advisors and potential funders throughout the review. | |

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: The Company believes it has sufficient working capital to meet its obligations as the Company considers its path forward with the cholesterol lowering program. The Company ended the quarter with \$2.3 million and expects a material R&D refund (estimated \$3.2 million) to be received in the December 2023 quarter in respect to R&D expenditure incurred during FY23. In addition, the Company has undertaken a review of operating costs including reducing the Boards fees by 50% as announced on 20 July 2023.

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

13 October 2023

Date:

By Order of the Board

Authorised by:
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.