

1. Company details

Name of entity:	Nyrada Inc.
ARBN:	625 401 818
Reporting period:	For the half-year ended 31 December 2020
Previous period:	For the half-year ended 31 December 2019

2. Results for announcement to the market

			\$
Revenues from ordinary activities	up	- to	51,649
Loss from ordinary activities after tax attributable to the owners of Nyrada Inc.	up	17% to	(2,689,921)
Loss for the half-year attributable to the owners of Nyrada Inc.	up	17% to	(2,689,921)

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 \$2,689,921 (31 December 2019: \$2,307,225).

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>3.06</u>	<u>21.16</u>

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 Interim Report.

11. Attachments

Details of attachments (if any):

The Interim Report of Nyrada Inc. for the half-year ended 31 December 2020 is attached.

12. Signed

Signed John X. Moore

Date: 19 February 2021

John Moore
Non-Executive Chairman



Nyrada Inc.

ARBN 625 401 818

Interim Report - 31 December 2020



Directors	John Moore Graham Kelly (resigned 8 September 2020) Peter Marks Ruediger Weseloh Marcus Frampton Christopher Cox Ian Dixon (appointed 8 September 2020)
Company secretary	David Franks
Registered office in Australia and principal place of business	Suite 3 Level 4 828 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 Depository Interests (CDIs). One CDI is equivalent to one Share, being Class A Common Stock. (ASX Code: NYR)
Website	www.nyrada.com

Nyrada Inc.
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31 December 2020



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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 2020.

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
Graham Kelly	Non-Executive Director (Resigned 8 September 2020)
Peter Marks	Non-Executive Director
Ruediger Weseloh	Non-Executive Director
Marcus Frampton	Non-Executive Director
Christopher Cox	Non-Executive Director
Ian Dixon	Non-Executive Director (Appointed 8 September 2020)

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 \$2,689,921 (31 December 2019: \$2,307,225).

The half-year ended 31 Dec 2020 operating results included the following

- Research and Development Tax Incentive refund received of \$1,076,173 for the 2018/19 financial year;
- Research and development expenditure of \$1,053,283 (31 December 2019: \$659,373);
- Corporate and administration expenses of \$557,838 (31 December 2019: \$451,700); and
- Share based payment expense of \$535,225 (31 December 2019: \$384,182)

The cash position as at 31 December 2020 was \$4,056,803 (31 December 2019: \$159,185 and 30 June 2020 \$5,146,169).

Review of operations

During the first half of financial year 2020, 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 focused on its ongoing preclinical safety and efficacy trials to optimise and prepare its lead product candidates to enter human trials.

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.

During the half year, Nyrada continued to test the safety and efficacy NYX-PCSK9i. This *in vitro* study demonstrated equivalency between NYX-PCSK9i and the two FDA approved monoclonal PCSK9 antibody drugs alirocumab (Praluent[®], Sanofi/Regeneron) and evolocumab (Repatha[®], Amgen). The preclinical study confirmed these results with and without the presence of a statin (Mevastatin) in healthy donor human white blood cells (lymphocytes).

Nyrada reported encouraging preclinical data from an efficacy study of NYX-PCSK9i in a specialised mouse model, which possesses human-like characteristics with respect to cardiovascular health. This study demonstrated a 57% reduction in total cholesterol from NYX-PCSK9i. Importantly, this result shows that NYX-PCSK9i is comparable with FDA approved cholesterol-lowering drugs from two classes: a statin, Lipitor[®] (Pfizer), and the injectable PCSK9 monoclonal antibody, Praluent[®].



Additionally, NYX-PCSK9i was well tolerated in this study and no adverse effects were observed, as indicated by an analysis of the impact of the drug on body weight, food intake and liver function in the specialised mouse model.

Brain Injury Program

Nyrada's Brain Injury Program is developing a neuroprotectant drug to reduce secondary brain injury and the long-term negative health impacts associated with stroke and traumatic brain injury (TBI).

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.

During the half year, Nyrada continued to progress and improve the drug-like characteristics of its drug candidates. In July 2020, it reported encouraging preclinical results from a pharmacokinetic study of two compounds. The study demonstrated that both candidates achieved durable therapeutic levels and were safe and well-tolerated following a 6-hour continuous intravenous infusion, the preferred route for patients suffering from moderate-severe TBI and stroke.

Following this study, Nyrada focused its efforts on improving the best drug candidate and has improved the solubility and tissue protein-binding properties in new drug analogues, while maintaining potency in blocking calcium ion build up in cells. These improvements assist the optimisation of the final lead molecule for preclinical and clinical studies.

Validating the potential of its brain injury drug candidates, in February 2021 Nyrada secured a new collaboration with the highly regarded Walter Reed Institute of Army Research and UNSW Sydney. The collaboration will conduct two preclinical studies to evaluate the mechanism of action of Nyrada's drug candidate and evaluate the brain injury profile following TBI in a controlled cortical impact (CCI) animal model (a study designed to mimic the effect of TBI). In addition, it creates opportunities for the collaboration to jointly apply for non-dilutive funding opportunities to advance Nyrada's Brain Injury Program.

Outlook

Looking ahead, Nyrada will continue to advance its Brain Injury and Cholesterol-Lowering Programs towards human trials.

For the Brain Injury Program, the Company will test its preferred drug candidate in a pharmacokinetic study assessing the toxicity of a longer duration and higher dose. Additionally, Nyrada expects to report results from studies under its collaboration with Walter Reed and UNSW Sydney over the coming 12 months.

The Cholesterol-Lowering Program will focus on preparations to commence human clinical trials at the end of 2021. The Company is planning a Phase 1 study in healthy human volunteers in Australia. An efficacy signal in this Phase 1 trial will represent encouraging progress and is likely to attract collaborator interest. As part of the preparations for human trials, Nyrada will conduct an *in vivo* efficacy study to assess the optimal dose of NYX-PCSK9i and expects results in mid-2021.

Significant changes in the state of affairs

On 8 September 2020 Graham Kelly resigned as a director of the Company.

On 8 September 2020 Ian Dixon was appointed as a director of the Company.

There were no other 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 18 January 2021, 1,800,000 unlisted options were issued to Director Ian Dixon as outlined below.

- 600,000 options will vest upon the first anniversary of the grant date of 18 January 2021, Expiry 3 years from the date on which the option vests);
- 600,000 options will vest upon the second anniversary of the grant date of 18 January 2021 (Expiry 3 years from the date on which the option vests); and
- 600,000 options will vest upon the third anniversary of the grant date of 18 January 2021 (Expiry 3 years from the date on which the option vests).

On 15 February 2021 1,355,000 unlisted SAB options were excised at an exercise price of \$0.26, raising a total of \$352,300. On the same day 645,000 unlisted SAB options expired.



No other matter or circumstance has arisen since 31 December 2020 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

A handwritten signature in black ink that reads "John X. Moore".

John Moore
Non-Executive Chairman

19 February 2021

**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 2020 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, 19 February 2021

ACCOUNTANTS & ADVISORS

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Nyrada Inc.
Consolidated statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2020



	Note	31 Dec 2020	31 Dec 2019
		\$	\$
Revenue			
Other income	5	51,649	-
Expenses			
Employee benefits expense - share based payments		(535,225)	(384,182)
Employee benefits expense		(592,989)	(740,675)
Depreciation expense		(789)	(706)
Research and development costs		(1,053,283)	(659,373)
Finance costs		(1,446)	(59,749)
Corporate and administration expenses		<u>(557,838)</u>	<u>(462,540)</u>
Loss before income tax expense		(2,689,921)	(2,307,225)
Income tax expense		<u>-</u>	<u>-</u>
Loss after income tax expense for the half-year attributable to the owners of Nyrada Inc.		(2,689,921)	(2,307,225)
Other comprehensive income for the half-year, net of tax		<u>-</u>	<u>-</u>
Total comprehensive income for the half-year attributable to the owners of Nyrada Inc.		<u>(2,689,921)</u>	<u>(2,307,225)</u>
		Cents	Cents
Basic earnings per share	13	(2.46)	(15.09)
Diluted earnings per share	13	(2.46)	(15.09)

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 2020



	Note	31 Dec 2020 \$	30 Jun 2020 \$
Assets			
Current assets			
Cash and cash equivalents		4,056,803	5,146,169
Trade and other receivables	6	<u>35,223</u>	<u>1,078,845</u>
Total current assets		<u>4,092,026</u>	<u>6,225,014</u>
Non-current assets			
Plant and equipment		4,466	5,254
Intangibles		<u>37,000</u>	<u>37,000</u>
Total non-current assets		<u>41,466</u>	<u>42,254</u>
Total assets		<u>4,133,492</u>	<u>6,267,268</u>
Liabilities			
Current liabilities			
Trade and other payables	7	684,354	696,883
Employee benefits		<u>59,852</u>	<u>43,785</u>
Total current liabilities		<u>744,206</u>	<u>740,668</u>
Total liabilities		<u>744,206</u>	<u>740,668</u>
Net assets		<u>3,389,286</u>	<u>5,526,600</u>
Equity			
Issued capital	8	15,624,731	15,607,349
Reserves	9	2,739,549	2,204,324
Accumulated losses		<u>(14,974,994)</u>	<u>(12,285,073)</u>
Total equity		<u>3,389,286</u>	<u>5,526,600</u>

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 2020



	Issued capital \$	Reserves \$	Accumulated Losses \$	Total deficiency in equity \$
Balance at 1 July 2019	37,003	1,519,937	(6,511,406)	(4,954,466)
Loss after income tax expense for the half-year	-	-	(2,307,225)	(2,307,225)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive income for the half-year	-	-	(2,307,225)	(2,307,225)
<i>Transactions with owners in their capacity as owners:</i>				
Vesting of share based payments	-	384,182	-	384,182
Issue of Common Stock	200,000	-	-	200,000
Share issue costs	(12,000)	-	-	(12,000)
Balance at 31 December 2019	<u>225,003</u>	<u>1,904,119</u>	<u>(8,818,631)</u>	<u>(6,689,509)</u>

	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)
<i>Transactions with owners in their capacity as owners:</i>				
Vesting of share based payments	-	535,225	-	535,225
Issue of Common Stock	17,382	-	-	17,382
Balance at 31 December 2020	<u>15,624,731</u>	<u>2,739,549</u>	<u>(14,974,994)</u>	<u>3,389,286</u>

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 2020



	Note	31 Dec 2020	31 Dec 2019
		\$	\$
Cash flows from operating activities			
Payments to suppliers (inclusive of GST)		(2,200,132)	(2,296,687)
R & D tax incentive received		1,076,173	-
Grant income		50,000	-
Interest received		769	-
		<u>(1,073,190)</u>	<u>(2,296,687)</u>
Net cash used in operating activities			
Cash flows from investing activities			
Payments for plant and equipment		-	(2,999)
		<u>-</u>	<u>(2,999)</u>
Net cash used in investing activities			
Cash flows from financing activities			
Proceeds from the exercise of share options	8	17,382	200,000
Payments of share issue costs		-	(12,000)
Proceeds from intercompany loans		-	1,682,817
Repayment of borrowings		-	(515,000)
		<u>17,382</u>	<u>1,355,817</u>
Net cash from financing activities			
Net decrease in cash and cash equivalents		(1,055,808)	(943,869)
Cash and cash equivalents at the beginning of the financial half-year		5,146,169	1,102,397
Effects of exchange rate changes on cash and cash equivalents		(33,558)	657
		<u>(1,089,326)</u>	<u>(836,515)</u>
Net decrease in cash and cash equivalents			
Cash and cash equivalents at the end of the financial half-year		<u><u>4,056,803</u></u>	<u><u>159,185</u></u>

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 19 February 2021.

2. Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2020 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 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 2020 as set out below.

Government research and development tax incentives

Government grants, including research and development incentives are recognised at fair value when there is reasonable assurance that the grant will be received and all grant conditions will be met.

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 2019 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. Other income

	31 Dec 2020 \$	31 Dec 2019 \$
Interest received	1,649	-
Grant income	50,000	-
Other income	51,649	-

6. Trade and other receivables

	31 Dec 2020 \$	30 Jun 2020 \$
<i>Current assets</i>		
R&D Tax Incentive Receivable	-	1,075,410
Prepayments	7,103	3,432
Other receivables	28,120	3
	35,223	1,078,845

7. Trade and other payables

	31 Dec 2020 \$	30 Jun 2020 \$
<i>Current liabilities</i>		
Trade payables	230,481	209,639
Amount owing to related party – Noxopharm Limited	342,321	342,322
Accrued expenses	91,883	138,534
Other payables	19,669	6,388
	684,354	696,883

The Noxopharm Loan is unsecured and no interest is payable. The loan is repayable by 14 January 2023, being three years post Completion of the Offer, as outlined in the Prospectus dated 26 November 2019 and Supplementary Prospectus dated 9 December 2019 (or reduced from time to time by up to 50% of the proceeds of any subsequent capital raisings by the Company).

8. Issued capital

	31 Dec 2020 Shares	30 Jun 2020 Shares	31 Dec 2020 \$	30 Jun 2020 \$
Ordinary shares - fully paid	109,470,623	109,383,722	15,624,731	15,607,349
	31 Dec 2020 Shares	30 Jun 2020 Shares	31 Dec 2020 \$	30 Jun 2020 \$
At the beginning of reporting period/year	109,383,722	10,000	15,607,349	37,003
Adjustment as a result of stock splits	-	29,784,970	-	-
Transfer from Option Reserve	-	-	-	757,892
Issuance of Common Stock upon conversion of the Convertible Notes	-	21,588,752	-	4,317,750
Issuance of Common Stock upon conversion of Noxopharm Loan	-	13,500,000	-	2,700,000
Issue of Common Stock	-	44,500,000	-	8,700,000
Less: Share placement costs	-	-	-	(905,296)
Issue of Common Stock upon exercising of options	86,901	-	17,382	-
At the end of reporting period/year	109,470,623	109,383,722	15,624,731	15,607,349

Common stock

Common Stock entitle the holder 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 stock held.

The fully paid Common Stock have a par value of US\$0.00001 each and the company has an authorised capital of 400,000,000 shares of Common Stock, being 332,000,000 of which is Class A Common Stock, 50,000,000 of which is Class B Common Stock, and 18,000,000 of which is Performance Common Stock.

Any question brought before any meeting of stockholders at which a quorum is present shall be decided by the vote of the holders of a majority (by number of votes) of the capital stock issued and outstanding and entitled to vote thereat. Except as otherwise provided in the Certificate of Incorporation, each stockholder represented at a meeting of stockholders shall be entitled to cast one vote for each share of the capital stock entitled to vote thereat held by such stockholder. Such votes may be cast in person or by proxy but no proxy shall be voted on or after three years from its date, unless such proxy provides for a longer period. The Board of Directors, in its discretion, or the officer of the Corporation presiding at a meeting of stockholders, in his discretion, may require that any votes cast at such meeting shall be cast by written ballot.

Share buy-back

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

9. Reserves

	31 Dec 2020 \$	30 Jun 2020 \$
Share-based payments reserve	2,739,549	2,204,324

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.



9. Reserves (continued)

	31 Dec 2020	30 Jun 2020
	\$	\$
Balance at beginning of period/year	2,204,324	757,892
Transfer of share options reserve to Issued Capital	-	(757,892)
Share based payment expense	535,225	2,204,324
	<u>2,739,549</u>	<u>2,204,324</u>

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.

10. Dividends

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

11. Commitments and contingencies

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

12. Events after the reporting period

On 18 January 2021, 1,800,000 unlisted options were issued to Director Ian Dixon as outlined below

- 600,000 options will vest upon the first anniversary of the grant date of 18 January 2021, Expiry 3 years from the date on which the option vests);
- 600,000 options will vest upon the second anniversary of the grant date of 18 January 2021 (Expiry 3 years from the date on which the option vests); and
- 600,000 options will vest upon the third anniversary of the grant date of 18 January 2021 (Expiry 3 years from the date on which the option vests).

On 15 February 2021 1,355,000 unlisted SAB options were excised at an exercise price of \$0.26, raising a total of \$352,300. On the same day 645,000 unlisted SAB options expired.

No other matter or circumstance has arisen since 31 December 2020 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.

13. Earnings per share

	31 Dec 2020	31 Dec 2019
	\$	\$
Loss after income tax attributable to the owners of Nyrada Inc.	<u>(2,689,921)</u>	<u>(2,307,225)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>109,400,342</u>	<u>15,292,601</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>109,400,342</u>	<u>15,292,601</u>



13. Earnings per share (continued)

	Cents	Cents
Basic earnings per share	(2.46)	(15.09)
Diluted earnings per share	(2.46)	(15.09)

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 4,000,000 options (2019: nil) 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 2020



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 2020 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

A handwritten signature in black ink that reads "John Moore".

John Moore
Non-Executive Chairman

19 February 2021

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 entity), which comprises the consolidated statement of financial position as at 31 December 2020, 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 2020 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.

Other Matter

The financial report of Nyrada Inc for the year ended 30 June 2020 was audited by another auditor, who expressed an unmodified opinion to that report.

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 2020 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

A handwritten signature in black ink, appearing to read "N. S. Benbow".

N. S. Benbow

Director

Melbourne, 19 February 2021