December 2023 Quarterly Activites Report and Appendix 4C

30 January 2024

LTR Pharma Limited (**ASX:LTP**) ("**LTR Pharma**", "the **Company**"), a Company focused on improving men's health through clinical development and commercialisation of an innovative nasal spray treatment for Erectile Dysfunction ("ED"), SPONTAN®, is pleased to provide its Appendix 4C for the September 2023 Quarter.

Highlights:

- **LTR Pharma successfully completed an over-subscribed IPO and listed on the ASX on 11 December 2023 and raised $7 million.**
- **LTR Pharma's SPONTAN® nasal spray clinical data was presented at the World Meeting on Sexual Medicine in Dubai – winning the award for the most innovative research.**
- **Completed key milestones for its upcoming bioequivalence trial including commercial packaging studies.**
- **As at 31 December 2023, the Company had a cash balance of $6.02 million**

Corporate update

Initial Public Offer ("IPO")
LTR Pharma's shares commenced trading on the Australian Securities Exchange ("ASX") at 11.00 am AEDT on Monday 11 December 2023, under ticker code ASX:LTP.

The Company successfully raised $7m from new and existing shareholders through an oversubscribed IPO at an issue price of $0.20 per share, with Alpine Capital acting as lead manager.

The proceeds from the raise will be used to advance the Company's nasal spray for ED, SPONTAN®, on an expedited commercial pathway to market.

At the time of listing, LTR Pharma Chairman, Lee Rodne, said:

"We are deeply encouraged by the support we have received from our new and existing shareholders as part of the IPO journey for LTR Pharma. This is an exciting chapter, with funds raised to be directly applied to fast tracking SPONTAN® to commercialisation."

Bioequivalence Study Preparation
The clinical trial for SPONTAN is expected to commence in Q1 2024CY in Sydney, Australia. The trial's objective is to assess the bioavailability of the approved ED drug "vardenafil" following administration of SPONTAN® as a nasal spray compared to vardenafil approved tablets ("Levitra"). Bioavailability is a measurement of the amount of drug administered and entered into the blood stream and the rate at which this occurs. There is no other Nasal Spray for the treatment of ED that has been approved on market and this trial is expected to provide LTR Pharma with vital clinical data for both the FDA & TGA's expedited regulatory pathways.

SPONTAN Commercial Manufacturing Progression
LTR Pharma continued to successfully scale-up commercial manufacturing processes for SPONTAN® during the quarter. This crucial phase has advanced as planned and is now entering final stages. Manufacturing SPONTAN® to Good Manufacturing Practice ("GMP") standards for the upcoming clinical trial underscores the Company's commitment to quality and safety and signals its readiness to transition from the developmental phase to commercial scale-up, distribution and sales – once essential regulatory milestones are met.

Clinical Data receives International Recognition
LTR Pharma's key scientific and clinical advisor, Professor Eric Chung, has been pivotal in introducing SPONTAN® to the global medical community. Professor Chung presented the successful proof-of-concept trial data at the World Sexual Health Meeting in Dubai in December 2023. This presentation introduced SPONTAN® to a worldwide audience of key opinion leaders in the field of erectile dysfunction ("ED"), enhancing the visibility of this new and innovative treatment. Professor Chung was awarded the prestigious EMIL TANAGHA Prize by the International Society for Sexual Medicine ("ISSM") for the best innovative research. This prize is considered the most prestigious prize to be awarded for a research abstract presented at the ISSM World Meeting and continues to validate the medical interest and global need for a fast acting, on-demand treatment for ED.

LTR Pharma's progress with SPONTAN® represents a combination of meticulous planning, scientific innovation, and strategic engagement with the global medical community. The successful scale-up to GMP standards for the upcoming clinical trial and proactive dissemination of research findings by esteemed advisors like Professor Chung highlights LTR Pharma's commitment to revolutionising the treatment of ED and to making significant advancements in men's health treatment options.

Financial Update

Expenditure
LTR Pharma further invested in R&D and manufacturing activities during the quarter as it prepares for its clinical bioequivalence trial and bringing the world's first nasal spray product, SPONTAN®, to market for the treatment of ED.

Net cash used for operations in the quarter were $2.04m, including $1.4m in one-off non-reoccurring payments, including IPO costs and a patent milestone payment. The one-off payments were anticipated in the Use of Funds of the IPO. The Company's expenditure program is on track to meet the Company's stated objectives of the use of funds as stated in the Prospectus. The company's R&D expenditure was $1.05 million which included clinical manufacturing preparations for the company's upcoming bioequivalence study and successful commercial packaging studies, and a successful patent milestone payment as part of the company's licensing agreement. During the quarter there was $0.57 million cost related to the IPO. The Company's cash balance was $6.02 million as at 31 December 2023.

Comparison to IPO prospectus

A summary of the operating cashflows for the period since the listing date of 11 December 2023 ending 31 December 2023 compared to the proposed use of funds (2-year period) of LTP's Prospectus dated 7 December 2023 is outlined below. The Maximum Subscription was raised.

During the period ended December 2023, overall spend remained in-line with the estimated use of funds as set out in the Prospectus. The Company expects R&D expenditure to increase in the coming quarters as the Company completes its bioequivalence trial per the Use of Funds in the table below.

In accordance with Listing Rule 4.7C, payments made to related parties and their associates included in items 6.1 of the Appendix 4C was A$138,750 and included Director fees, salary, and superannuation for the Executive Chairman and Non-Executive Directors.

Use of Funds / Expenditure Program*	$	
	Expenditure allocated under prospectus (2 year period)	**Actual expenditure to date 31-Dec-23****
Regulatory	$350,000	-
CMC (chemistry, manufacturing and control / packaging for sales)	$320,000	$26,235
Non-clinical studies	$140,000	-
Bioequivalence trial	$1,350,000	$74,141
Sales & Marketing	$810,000	-
Payment (SDS License Agreement)	$475,097	-
Working Capital	$2,635,337	$260,305
Expenses of the Offer	$811,939	$573,298
Total	**$6,892,373**	**$933,980**

** This table is a statement of current intentions of the Company. Actual use of funds may differ from the budgeted use of funds based on changes in clinical trials budgets or formulation development expenses. The Board may alter the way funds are applied in the future.*

*** The Company incurred cash outflows before 11 December 2023 which have been added into this table to reflect the use of funds more accurately in relation to the IPO prospectus.*

About LTR Pharma

LTR Pharma is focused on holistically improving men's health, physically and mentally, through the commercialisation of an innovative nasal spray treatment for Erectile Dysfunction. ED is a pressing health issue for millions of men that can negatively impact self-esteem and relationships, across multiple age brackets. LTR Pharma's lead product SPONTAN® is set apart from existing ED therapies by its mechanism of action – intranasal delivery technology of a PDE5 inhibitor. The nasal cavity is a highly vascular part of the body supporting even and

rapid absorption of the drug, empowering it to work within 10 minutes or less. LTR Pharma is proudly aiming to restore greater control over the timing, spontaneity, and enjoyment of sexual experiences.

This announcement has been approved by the Board of Directors.

For further information please contact:

Haley Chartres
Media Relations
haley@hck.digital

Jane Morgan
Investor Relations
jm@janemorganmanagement.com.au

Appendix 4C

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

Name of entity

LTR Pharma, LTR Pharma Inc

ABN	**Quarter ended ("current quarter")**
	December 2023

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (6 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers		
1.2	Payments for		
	(a) research and development	(1,045,203)	(1,179,008)
	(b) product manufacturing and operating costs	-	-
	(c) advertising and marketing	(135,038)	(136,634)
	(d) leased assets	-	-
	(e) staff costs	(152,625)	(260,850)
	(f) administration and corporate costs	(478,562)	(762,295)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	63	91
1.5	Interest and other costs of finance paid	(51)	(63)
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**	**(2,043,982)**	**(2,215,105)**

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 (6 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)	6,510,828	6,506,035
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**	**6,510,828**	**6,506,035**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	1,552,826	1,728,742
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,043,982)	(2,215,105)
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 (6 months) $A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	6,510,828	6,506,035
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**6,019,672**	**6,019,672**

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	**6,019,672**	1,552,826
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)**	**6,019,672**	**1,552,826**

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	138,750
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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.

7.	**Financing facilities** *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.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
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)	(2,043,982)
8.2	Cash and cash equivalents at quarter end (item 4.6)	6,019,672
8.3	Unused finance facilities available at quarter end (item 7.5)	
8.4	Total available funding (item 8.2 + item 8.3)	6,019,672
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	3

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.

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:

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:

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:

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.

Date: 30 January 2024

Authorised by: By the Board
(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.