June 2024 Quarterly Activities Report and Appendix 4C

29 July 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 quarter ended 30 June 2024.

Highlights:

- **SPONTAN® achieved positive interim primary and secondary clinical study results demonstrating:**
  - **rapid absorption and faster onset of action compared to oral PDE5 inhibitors (vardenafil, sildenafil, tadalafil);**
  - **delivered a similar amount of peak drug (Cmax) at half the dose than the oral tablet**
  - **The time to peak concentration (Tmax) for SPONTAN was in as little as 9 minutes compared to the average time of 56 minutes with the oral tablets; and**
  - **No serious adverse events were observed with SPONTAN.**
- **As at 30 June 2024, the Company held a cash balance of $3.10 million.**
- **Subsequent to the quarter end, LTR Pharma successfully raised $10.5 million (before costs) through Share Placement to institutional, professional and high net worth investors.**

Corporate Update

LTR Pharma has achieved significant milestones in its commercial operations during the second quarter of 2024. The Company completed its pivotal pharmacokinetic clinical study for SPONTAN® ("the **Study**"), with final data analysis underway and initial results released to the market on 7 June 2024.

In June, members of the Company's management team met with executives of global pharma companies at the BIO International Convention 2024 in San Diego. The team also travelled to New York to conduct a non-deal roadshow with investors to introduce LTR Pharma and SPONTAN.

Pivotal pharmacokinetic clinical study

On 7 June 2024, the Company reported positive initial results from the pivotal pharmacokinetic clinical study of SPONTAN nasal spray treatment for ED. The Study demonstrated that SPONTAN achieved rapid absorption and a faster time to peak concentration in as little as 9 minutes with an average of 12 minutes compared to traditional oral PDE5 inhibitors (e.g. Viagra) which averaged 56 minutes. Oral PDE5 tablets are considered the gold standard ED treatment currently available. This reduction in onset time could potentially revolutionise the market for ED treatments and is the reason that SPONTAN is being developed as a fast-acting, on-demand treatment for ED. Currently there is a high discontinuation rate with oral PDE5 tablets due to their long onset of action and adverse events needing to be delivered through the digestive system. SPONTAN bypasses the digestive system and is delivered straight into the bloodstream via the nasal cavities and is designed to allow men and their partners to live in the moment vs needing to plan ahead.

Financial Update

Net cash used for operations in the quarter was $2.18m, which included significant one-off payments of $0.9m for costs related to the Study and $0.461m as an IP milestone payment. Excluding these one-off payments, the underlying operational cash burn for the quarter was approximately $0.82m, which closely aligns to the expenditure outlined in the prospectus.

As of 30 June 2024, the Company's cash balance was $3.10m. While the Appendix 4C indicates 1.42 quarters of cash remaining, it is important to note that this calculation includes the previously mentioned one-off payments. Adjusting for these one-off expenses, the Company's normalised cash runway extends beyond the reported figure.

Subsequent to the end of the quarter, on 24 July 2024, LTR Pharma completed a Share Placement, resulting in the inflows of $10.5m (before costs), strongly supported by institutional investors and high net worth investors.

Use of Funds / Expenditure Program*	$	
	Expenditure allocated under prospectus (2-year period)	**Actual expenditure to date 30-June-24****
Regulatory	$350,000	$136,942
CMC (chemistry, manufacturing and control / packaging for sales)	$320,000	$78,513
Non-clinical studies	$140,000	$61,128
Bioequivalence trial	$1,350,000	$1,211,004
Sales & Marketing	$810,000	$285,198
Payment (SDS License Agreement)	$475,097	$461,816
Working Capital	$2,635,337	$926,910
Expenses of the Offer	$811,939	$689,786
Total	**$6,892,373**	**$3,851,296**

** 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.*

This announcement has been approved by the Board of Directors.

About LTR Pharma

LTR Pharma is focused on 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.

For further information please contact:

Haley Chartres
Media Relations
haley@hck.digital

Peter McLennan
Investor Relations
investors@ltrpharma.com

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")**
	June 2024

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (12 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers		
1.2	Payments for		
	(a) research and development	(1,469,075)	(2,937,918)
	(b) product manufacturing and operating costs	-	-
	(c) advertising and marketing	(206,163)	(421,832)
	(d) leased assets	-	-
	(e) staff costs	(178,650)	(638,413)
	(f) administration and corporate costs	(303,987)	(1,158,464)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	99	329
1.5	Interest and other costs of finance paid	(21)	(422)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	(20,249)	24,298
1.9	**Net cash from / (used in) operating activities**	**(2,178,046)**	**(5,132,422)**

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 (12 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)	-	6,506,035
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**	**-**	6,506,035

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	5,280,401	1,728,742
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,178,046)	(5,132,422)
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 (12 months) $A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	6,506,035
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**3,102,355**	**3,102,355**

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	3,102,355	6,019,672
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)**	**3,102,355**	**$5,280,401**

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	-
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)	(2,178,046)
8.2	Cash and cash equivalents at quarter end (item 4.6)	3,102,355
8.3	Unused finance facilities available at quarter end (item 7.5)	
8.4	Total available funding (item 8.2 + item 8.3)	3,102,355
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	1.4

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: Yes, Quarter 4 had over 1.4m worth of R&D cost of which 0.9m related to the pivotal clinical trial as well as a 0.4m payment under the SDS agreement. Both as disclosed in December 2023 during the IPO process

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: Yes, in July 2024 capital has been raised to fund operations, research and development as well as commercial pathways of $10m before expenses.

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: Yes, the entity expects to continue to operate as normal and meet its objectives on the basis that planned expenses have discretion in terms of timing and sizing. The additional capital will assist the company in continuing and potentially accelerating its objectives.

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: 29 July 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.