

22 October 2024

ASX Announcement

September 2024 Quarterly Activity Report

Firebrick Pharma Limited (ASX:FRE) (**Company** or **Firebrick**) is pleased to provide its business activity update for the quarter ending 30 September 2024, along with its Appendix 4C quarterly cashflow report.

REVIEW OF QUARTERLY OPERATIONS

Philippines Agreement allows launch of Nasodine

On 15 August 2024, the Company announced that it had executed an amended agreement with its existing marketing partner in the Philippines, S.V. More Pharma Corporation (SV More). Under the amended agreement, SV More will have the right to manufacture Nasodine® Nasal Spray ("**Nasodine**") in the Philippines, rather than import the product from Australia. This will allow Nasodine to be launched in the Philippines.

The amended agreement allows the Company to complete the tech transfer to SV More's local manufacturing partner (Hizon Laboratories Inc) so they can make the product and complete the paperwork for the Philippines Food and Drug Administration approval to be classified as a 'disinfectant spray for the nasal passages'.

Nasodine European Marketing Application

In our announcement of 9 September, we noted that the Company had filed an application with the Marketing Authorisation Application ("**MAA**") in Europe for marketing of Nasodine in Europe, seeking approval for use as a nasal antiseptic

The MAA successfully passed validation and has now entered the evaluation phase. Based on the timetable provided by the Medical Products Agency, the initial evaluation phase could be completed by 19 December 2024 (Australian time) at which time Firebrick may address any questions raised. Final approval, if granted, is unlikely to be earlier than mid-2025.

Should approval be obtained, or a positive outcome appears likely, the Company will move forward in line with its strategy as outlined in the Annual Report for the year ended 30 June 2024, to seek one or more marketing partners in Europe.

Board and human resource changes

Dr Richard Treagus decided to focus his time on his other Board roles and business commitments and resigned from Firebrick with effect from 30 September, 2024.

On 9 September, we announced that a consulting agreement (**Agreement**) had been executed with Keith Shortall, a former senior executive of Johnson & Johnson Consumer Health Asia-Pacific (J&J Consumer Health APAC).

The primary goal of the Agreement is to establish pharmacy distribution for Nasodine in Singapore. Secondary objectives include evaluating potential distribution to other markets in Southeast Asia and partnership opportunities in the region.

Keith Shortall was recently (2022-2023) Head of Customer Experience for J&J Consumer Health APAC, based in Singapore, and previously (2018-2022) Managing Director North Asia for J&J Consumer Health APAC. He has extensive Asia Pacific (APAC) experience, operating in more than 20 markets across APAC in his 15 years of working and living in APAC countries.

Financial Overview

On 23 September, the Company announced that it had received an RDTI (R&D Tax Incentive) payment of \$919k for eligible R&D expenditure incurred in 2023/24. The incentive payment related to \$2.114 million in reported R&D costs in the FY24 year, primarily associated with the Company's two clinical trials that were completed.

At 30 September 2024, Firebrick held cash and cash equivalents of \$1.14 million, compared with \$825k at the end of the June quarter. Net cash inflows from operations for the quarter were \$310k following receipt of \$919k in R&D tax incentives. Excluding the R&D tax incentive, net cash outflows for the quarter were down \$80,000 when compared to the June quarter.

On 15 September 2024, we announced that we would conduct a Share Purchase Plan (**SPP**), allowing eligible shareholders the opportunity to subscribe for shares at an issue price of \$0.055 (5.5 cents). The SPP closed in October, and we raised a total of \$974k through a combination of subscriptions to the SPP and an SPP Shortfall Placement to existing shareholders.

As per item 6 of the attached Appendix 4C cashflow report for the quarter, payments to related parties and their associates of \$173k comprised of Executive Chairman and Executive Director/COO remuneration and Non-Executive Director Fees, which was down on the June quarter value of \$218k due to the timing of various payments.

This announcement has been authorised for release by the Board of Firebrick Pharma Limited.

- ENDS -



About Firebrick (ASX:FRE)

Firebrick Pharma is a pharmaceutical innovator focused on developing and commercialising novel formulations and uses of povidone-iodine (PVP-I). The Company has successfully developed a PVP-I nasal spray (Nasodine® Nasal Spray) and filed international trademarks and multiple patents on the product. The Company has also completed six clinical trials that have affirmed the product's safety and generally supported its efficacy as an antimicrobial nasal spray with utility in a range of clinical settings. Firebrick is now commercialising Nasodine in international markets, with the product already launched in the United States and Singapore.

Media enquiries:

Heidi Cuthbert

+61 411 272 366

heidi.cuthbert@multiplier.com.au

Investor enquiries:

Investors@firebrickpharma.com

Appendix 4C

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

Name of entity

FIREBRICK PHARMA LIMITED

ABN

64 157 765 896

Quarter ended ("current quarter")

30 SEPTEMBER 2024

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	17	17
1.2 Payments for		
(a) research and development	(59)	(59)
(b) product manufacturing and operating costs	(18)	(18)
(c) advertising and marketing	(114)	(114)
(d) leased assets (including premises)	(16)	(16)
(e) staff costs	(204)	(204)
(f) administration and corporate costs	(223)	(223)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	2
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives – 2024 R&D Tax Incentive	920	920
1.8 Other (provide details if material)	5	5
1.9 Net cash from / (used in) operating activities	310	310
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	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
	(f) other non-current assets	-	-
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	2	2
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	2	2

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	825	825
4.2	Net cash from / (used in) operating activities (item 1.9 above)	310	310
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)	2	2
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,137	1,137

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	1,137	825
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,137	825

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	173
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>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	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.		
	N/A		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	310
8.2	Cash and cash equivalents at quarter end (item 4.6)	1,137
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	1,137
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	N/A
	<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?	
	N/A	
	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?	
	N/A	
	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?	
	N/A	
	<i>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.</i>	

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: 22 October 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.