

16 April 2025

ASX Announcement

March 2025 Quarterly Activity Report

Firebrick Pharma Limited (ASX:FRE) (**Company** or **Firebrick**) is pleased to provide its business activity update for the quarter ending 31 March 2025, along with its Appendix 4C quarterly cashflow report.

REVIEW OF QUARTERLY OPERATIONS

Singapore Retail Pharmacy Launch

In January 2025, the retail launch of Nasodine® Nasal Spray (**Nasodine**) commenced in Singapore, with initial stocks of Nasodine distributed to selected Guardian pharmacies. By February, Nasodine was available in 54 Guardian pharmacies, including their 5 Changi Airport pharmacies. Also during February, we ran a virtual training course for all Guardian pharmacists, in which there was significant enthusiasm for Nasodine, being the first povidone-iodine nasal spray. There were also lots of questions about how and when to recommend it to customers.

In March, the distribution of Nasodine within the Guardian group was expanded with significant in-store merchandising activity coordinated by Firebrick's marketing partner, Innorini Life Sciences (**Innorini**). By the end of March, Nasodine was available in 125 pharmacies, with front of store promotion in 92 pharmacies, in addition to shelf and counter displays. Examples of retail advertising and merchandising during the quarter are included below:



Guardian online promotion



Guardian Changi Airport poster



Counter display in pharmacy



Top shelf pharmacy display

In parallel with this retail activity, during February, Innorini reached their interim goal of detailing and sampling Nasodine to the top 400 doctors in Singapore. These doctors will not only provide recommendations and opinion-leader support for the product, but we are seeing growing sales through doctors to augment sales through the Guardian retail chain.

Overall, following a successful retail introduction in the March quarter, we are now expanding our promotional presence in all available Guardian outlets and are well-positioned to drive retail sales growth. In addition, we have built a solid base of support with doctors who are very positive about Nasodine's availability.

In addition to pharmacy and doctor sales, there were significant online sales through our Singapore-based Nasodine website. Orders to Singapore addresses decreased, which was expected given the retail availability of Nasodine in that country. The website also processes orders to Australian addresses and in Q3 (Jan-Mar 2025), these were down slightly on Q2 (Oct-Dec 2024) but up by around 240% on Q1 (Jul-Sep 2024), indicating a positive trend overall.

Growth in US Sales

In the US, Nasodine is currently sold online only and sales continued to grow strongly during the quarter. Online orders received during Q3 in the US increased by 44% on Q2 and up by 135% on Q1. Nasodine units sold per order also increased, leading to even stronger growth in overall unit sales. Q3 unit sales were up 81% over Q2 and 203% over Q1.

The growth in sales during the quarter was due to growing underlying adoption of Nasodine in the US, as well as a paid influencer marketing program, which we ran in December and January, and a 'buy-one-get-one' free discount program that we offered between January and March 2025. We will continue to look for ways to grow sales in the US while keeping marketing costs relatively low and the overall US business cash flow positive or cash flow neutral. One such strategy is to work with third-party intermediaries to expand promotion and sales in the US market at no cost to Firebrick.

Market expansion

During the quarter, the Company continued to expand its international distribution of Nasodine with the execution of a License and Distribution Agreement with Makans Limited covering Fiji and South Pacific. The Agreement grants Makans an exclusive license to the nasal spray and all future line extensions offered by Firebrick under the Nasodine brand. Their licensed territory covers Fiji and South Pacific, including Vanuatu, Western Samoa, Tonga, Solomon Islands and Kiribati (see ASX announcement 12 February).

On 14 March 2025, the Company received its first order from Makans which was for 1,008 bottles of Nasodine (21 shippers, each 48 units). This order was shipped during March 2025.

Philippines launch preparation

During February, Nasodine was successfully manufactured at Hizon Pharmaceuticals in Manila, under Firebrick's supervision. After completion of six months of stability testing on the manufactured product (expected August 2025) and completion of a registration dossier, Firebrick's licensing partner, SV More, will be able to file for approval of Nasodine by the Philippines Food and Drug Administration (PFDA). Subject to timely approval, Nasodine could be launched in the Philippines by mid-2026. The Philippines is a substantial pharmaceutical market, with a population of approximately 120 million, it is 20 times the size of Singapore.

Successful Patent Defence in Singapore

On 13 January 2025, the Company announced that it had successfully removed a competitor product to Nasodine from the market in Singapore for infringement of Firebrick's core patent that covers the use of Nasodine as a treatment and preventative for the common cold.

The competitor, Medzolution Pte was offering for online sale a nasal spray containing povidone iodine (PVP-I). Firebrick informed that company about the patent infringement and the product was withdrawn from sale. This was the Company's first patent defence and a clear demonstration of the commercial importance and strength of Firebrick's patents.

Financial Overview

On 4 March, the Company announced that it had secured a \$1.1 million strategic investment from its Philippines marketing partner. The investment of A\$1.1 million came from Pharma Nutria N.A., Inc. (**PNAI**), an entity that is part of the SV More Group of Companies, which includes the Company's Philippines licensing partner, SV More Pharma Corporation.

The Company considers the investment both an indicator of the strength of the partnership in the Philippines and a strong endorsement by a commercial partner of Nasodine's market potential.

At 31 March 2025, Firebrick held cash and cash equivalents of \$1.38 million compared with \$0.91 million at the end of the December quarter. Net cash outflow from operations for the March quarter was \$658k, a reduction of 30% compared with the December quarter \$939k. This reduction in cash burn was mainly due to ongoing reductions in R&D spend and reduced administration and corporate costs. As per item 6 of the attached Appendix 4C cashflow report for the quarter, payments to related parties and their associates of \$201k comprised of Executive Chairman and Executive Director/COO remuneration and Non-Executive Director Fees, which was slightly down on the December quarter value of \$216k.



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 developing and commercialising novel formulations and uses of povidone-iodine (PVP-I). The Company has developed and is now commercialising Nasodine® Nasal Spray (0.5% PVP-I) and has several other products in development. Firebrick recently introduced Nasodine in the United States, Singapore and Fiji and South Pacific, with an agreement in place to also manufacture and launch Nasodine in the Philippines.

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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")

31 MARCH 2025

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	43	96
1.2 Payments for		
(a) research and development	(71)	(339)
(b) product manufacturing and operating costs	(113)	(167)
(c) advertising and marketing	(115)	(387)
(d) leased assets (including premises)	(16)	(48)
(e) staff costs	(292)	(813)
(f) administration and corporate costs	(145)	(611)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	8
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
1.8 Other (GST Refund)	49	54
1.9 Net cash from / (used in) operating activities	(658)	(1,287)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	(66)
(d) investments	-	-
(e) intellectual property	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 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	-	(66)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,100	1,894
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	29	31
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(20)
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	1,129	1,905

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	906	825
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(658)	(1,287)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(66)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,129	1,905
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,377	1,377

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	1,377	906
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)	1,377	906

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	201
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. 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)	(658)
8.2	Cash and cash equivalents at quarter end (item 4.6)	1,377
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	1,377
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	2.1
	<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: 16 April 2025

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.