

23 January 2025

ASX Announcement

December 2024 Quarterly Activity Report

Firebrick Pharma Limited (ASX:FRE) (**Company** or **Firebrick**) is pleased to provide its business activity update for the quarter ending 31 December 2024, along with its Appendix 4C quarterly cashflow report.

REVIEW OF QUARTERLY OPERATIONS

During the quarter the Company made significant strides forward with plans to expand the sales of Nasodine[®] Nasal Spray (**Nasodine**) in Singapore. On 31 October 2024, the Company announced a Marketing Representation Agreement with Singapore-based Innorini Life Sciences (**Innorini**), under which Innorini commenced sampling and promotion of Nasodine to doctors and other healthcare professionals (HCPs) in Singapore.

Subsequently, in November 2024, the Company announced an agreement with Guardian Health & Beauty (**Guardian**), the largest pharmacy chain in Singapore, to promote and sell Nasodine through all their retail pharmacies. To support the Guardian sales, Firebrick also announced that it had executed a distribution agreement with DKSH Singapore Pte Ltd (**DKSH**) to provide logistics and other services to facilitate Nasodine sales through Guardian. Details of these agreements are in the Company's ASX announcement of 25 November 2024.

Firebrick shipped retail pharmacy stocks of Nasodine to DKSH in December 2024 for distribution to Guardian pharmacies in January 2025. Subsequent to the December quarter, Nasodine stocks were distributed to Guardian pharmacies in January and retail sales commenced. The Company will report on the development of these sales during 2025.

Financial Overview

At 31 December 2024, Firebrick held cash and cash equivalents of \$0.91 million compared with \$1.14 million at the end of the September quarter. Net cash outflow from operations for the quarter was \$939, which was partially offset by an inflow of \$774k from capital raising activities, including a share purchase plan and 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 \$216k comprised of Executive Chairman and Executive Director/COO remuneration and Non-Executive Director Fees, which was up on the September quarter value of \$173k due solely 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 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 and Singapore.

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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 DECEMBER 2024

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	36	53
1.2 Payments for		
(a) research and development	(209)	(268)
(b) product manufacturing and operating costs	(36)	(54)
(c) advertising and marketing	(158)	(272)
(d) leased assets (including premises)	(16)	(32)
(e) staff costs	(317)	(521)
(f) administration and corporate costs	(243)	(466)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	4	6
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)	-	5
1.9 Net cash from / (used in) operating activities	(939)	(629)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(66)	(66)
(d) investments	-	-
(e) intellectual property	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 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)	(66)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	794	794
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	2
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(20)	(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	774	776

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,137	825
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(939)	(629)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(66)	(66)

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)	774	776
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	906	906

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	906	1,137
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)	906	1,137

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	216
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	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<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>		
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.	<div style="border: 1px solid black; padding: 5px; min-height: 100px;"> <p>N/A</p> </div>	

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(939)
8.2 Cash and cash equivalents at quarter end (item 4.6)	906
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	906
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	0.96
<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?	
<p>The Company expects the operating cash flows to change significantly in the future due to increased revenues from sales in Singapore following the launch of Nasodine Nasal Spray into the Guardian retail pharmacy chain.</p>	
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?	
<p>The Company successfully raised \$794,000 (before transaction costs) through a Share Purchase Plan during the quarter ended 31 December 2024 and remains confident on raising further funds as and when the need arises.</p>	

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?

Yes. During the December quarter, sales of Nasodine Nasal Spray ("Nasodine") grew by 111% due to substantial increases in online sales through both the Singapore and US websites. The Company expects to see continued growth in online sales of Nasodine in the future. Further, following the retail and healthcare professional launches of Nasodine in Singapore, which were announced during the December quarter, the Company expects to see significant additional sales of Nasodine to healthcare professionals and through retail pharmacy in that country.

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: 23 January 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.