

Appendix 4C

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

Name of entity

Syntara Limited

ABN

75 082 811 630

Quarter ended ("current quarter")

31 March 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date \$A'000
1 Cash flows from operating activities		
1.1 Receipts from customers	118	353
1.2 Payments for		
(a) research and development	(1,705)	(5,453)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	(1,729)	(5,905)
(f) administration and corporate costs	(910)	(1,920)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	10	259
1.5 Interest and other costs of finance paid	-	(196)
1.6 Income taxes paid	-	-
1.7a Grants	-	1,667
1.7b Tax incentives	-	5,193
1.8 Other – discontinued operations	(1,162)	(4,085)
1.9 Net cash from / (used in) operating activities	(5,378)	(10,087)

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	-	-
2.2 Proceeds from disposal of:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	194
(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	-	194

3	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	7,918	10,303
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	(535)	(678)
3.5	Proceeds from borrowings	-	4,400
3.6a	Repayment of borrowings	-	(4,400)
3.6b	Repayment of borrowings – discontinued operations	(610)	(1,823)
3.7	Transaction costs related to loans and borrowings	-	(20)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.1	Net cash from / (used in) financing activities	6,773	7,782

4	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	5,694	9,230
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(5,378)	(10,087)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	194
4.4	Net cash from / (used in) financing activities (item 3.10 above)	6,773	7,782
4.5	Effect of movement in exchange rates on cash held	65	35
4.6	Cash and cash equivalents at end of period	7,154	7,154

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Reconciliation of cash and cash equivalents	Current quarter	Previous quarter
5 at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	\$A'000	\$A'000
5.1 Bank balances	128	521
5.2 Call deposits	6,905	5,054
5.3 Bank overdrafts	-	-
5.4 Other (Term deposits)	121	119
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	7,154	5,694

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	192
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	Amount drawn at quarter end
	\$A'000	\$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	Nil	Nil
7.2 Credit standby arrangements	Nil	Nil
7.3 Other (please specify)	Nil	Nil
7.4 Total financing facilities	Nil	Nil

7.5 Unused financing facilities available at quarter end

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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.

7.6

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8	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(5,378)
8.2	Cash and cash equivalents at quarter end (item 4.6)	7,154
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	7,154
	Estimated quarters of funding available (item 8.4 divided by item 8.1)	1.33
8.5	<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>Answer: Net operating cashflows for the next two quarters will be reduced as result of completion of the transition period for the sale of the mannitol business unit (MBU). Staff and operating costs of the facility ceased as from 1 February 2024. Staff costs alone will decrease by approximately \$1.0 million in each of the June and September quarters (compared to the March quarter). Other costs related to the MBU will also cease or substantially decrease.</p> <p>Existing lease payments will also cease from the termination of the lease in mid May 2024 and be replaced with significantly reduced sublease costs for the small area now being occupied by the company. Lease payments will decrease by approximately \$0.4 million in the June quarter (compared to the March quarter) and approximately \$0.7 million in the September quarter (compared to the March quarter).</p>	

In addition, the company is expected to or does already have additional cash funds available from:

- the return of all or substantially all of a security deposit of \$929,000 due to be released subsequent to termination of the company's lease over its Frenchs Forest facility in May 2024;
- a payment of \$723,000 received in April from the purchaser of the MBU.

Taking only the reduced operating cash flow staff costs and the reduced lease costs specifically referenced above, the return of the security deposit and the payment of \$723,000 already received in April from the purchaser of the MBU, the company would have over 2 quarters of funding.

In addition, the company is due to receive a total of approximately \$5.3 million from the purchaser of the mannitol business unit for amounts due in connection with the sale which includes amounts to be reimbursed for the company's transition period costs.

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: The Company has no immediate need to raise further cash to fund its operations as outlined in 8.6.1 above. However, the Company regularly assesses its funding options in support of its ongoing development programs and operations.

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, based on the reduced operating cash flows and additional funds as described above.

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 April 2024

Authorised by: Syntara Audit and Risk Committee
David McGarvey
Chief Financial Officer and Company Secretary

(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.