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## Cytophage Reports Q1 Financials and Provides Business Update

Winnipeg, May 30, 2024. Cytophage Technologies Ltd. (TSXV:CYTO) (“Cytophage” or the “Company”), the only publicly traded phage company that is focused on bacteriophage solutions for both animal health and human health, today announced that it has filed its financial results for the first quarter (Q1) ended March 31, 2024. The financial statements and the accompanying Management Discussion and Analysis Report are available under the Company’s profile at [sedarplus.com](https://www.sedarplus.com). This is the first reporting of financial results since the completion of the reverse takeover transaction (the “RTO”) of Cuspis Capital III Ltd. (“Cuspis”) by the Company in February ([see press release on February 2<sup>nd</sup>, 2024](#)).

### **Q1 Business Highlights**

- Cytophage, the first phage company to go public in Canada, completed its reverse takeover of Cuspis and began trading on TSXV as of February 9, 2024.
- Cytophage provided bacteriophage for the first phage therapy in Canada for a prosthetic joint infection.
- Cytophage held meetings with several large-scale, integrated poultry producers in Asia. Preliminary evaluation work on bacteria and corresponding phages is underway as prospective terms for a commercial collaboration agreement are being explored.
- Construction continued on Cytophage’s new 20,000 sq ft R&D and production facility that will include state-of-the-art labs and GMP manufacturing. This new global headquarters for the Company is set to open in Q2.
- Cytophage strengthened its board of directors through the addition of two experienced executives: Michael Cochrane, who has a strong background in capital markets, and John Snisarenko, an experienced and successful pharmaceutical/biotech commercialization executive. Cytophage has contracted former pharma executive Dr. Ashley Wozniak, Founding Partner of Fosera Consulting, to develop funding proposals for phage projects focused on human health and to assist in assessing product potential. Dr. Wozniak has significant experience in securing non-dilutive funding throughout her career (over \$500 million), as well as in leading new product planning, late-stage product development, and product launches for commercial and medical countermeasure products.

Cytophage CEO Dr. Steven Theriault commented: “Q1 was a busy period for Cytophage with lots of exciting developments within the commercialization and financial portfolios. This momentum has carried into the second quarter where we continue to pursue commercial opportunities in the animal health sector, expand on our human health efforts, and continue to engage with the investment community in Canada.”

### **Animal Health Update**

#### *AviPhage*

Cytophage’s current commercialization efforts in animal health are primarily focused on Asia, a region with a high demand for antibiotic alternatives and precedents in phage regulation, adoption, and awareness. Cytophage held targeted meetings in March with some of the largest poultry producers and integrators in Asia who collectively produce approximately 1.5 billion broiler

chickens annually. Bacterial samples are being analyzed and assessed against the Company's phages while, concurrently, prospective terms for a commercial collaboration agreement are being developed. Cytophage anticipates conducting large-scale commercial trials in this region in 2024.

In Bangladesh, Cytophage continues to collaborate with its distribution partner. Cytophage has developed an innovative new product form: a lyophilized tablet designed to replace the traditional liquid form commonly used in phage therapy. This lyophilized (freeze-dried/stabilized) product represents a significant technological breakthrough, offering increased flexibility, stability, and application versatility. Cytophage anticipates leveraging this innovation globally across all existing and pending product lines. This advancement allows for the delivery and storage of bacteriophages by extending the shelf life of the product. Cytophage believes it is currently the only phage company worldwide capable of delivering a lyophilized phage product at scale, without significantly increasing costs for consumers.

#### *OvaPhage*

Cytophage has been evaluating its egg phage product, OvaPhage, for compatibility with current delivery systems within egg producing barns. OvaPhage is a non-toxic, environmentally friendly disinfectant product for egg production. Field trials are expected to be completed by the end of 2024.

#### *Summary*

It is important to note that even among the same bacterial species (e.g. *E. coli*), bacterial populations vary from region to region, which can limit the efficacy/longevity of phage products developed for/from foreign bacterial populations. Cytophage CEO Dr. Theriault commented: "In recognition of global variations in bacterial strains, Cytophage embraces the importance of regionalizing phage products to address local bacterial strains, believing that this approach will maximize product adoption, attract suitable partners, and create a sustainable long-term, defensible business model. The capability to modify/regionalize phage products at scale appears to be unique to Cytophage."

### **Human Health Update**

Cytophage, for the first time in Canada, was able to provide bacteriophage for treatment of a patient at The Ottawa Hospital with approval from Health Canada as a single subject clinical trial ([see press release March 1, 2024](#)). The patient, who was suffering from a severe hardware-associated bone and joint infection, had undergone several surgeries, and numerous antibiotic therapies, none of which had successfully treated their infection. The patient saw improvement in terms of reduced pain and increased mobility related to the treated joint. This landmark treatment received considerable attention from national media, including CTV and CBC, highlighting the potential of bacteriophages as an effective alternative to antibiotics. Cytophage has identified a second patient for phage therapy. Bacteria and phage analysis are currently underway.

### **Q1 2024 Financial Highlights**

The financial results of the first quarter of 2024 include the consolidation of the financial results of Cytophage Technologies Lts from the closing date of the acquisition and the accounting impacts of the transaction, and the concurrent private placement.

- Cash and cash equivalents balance, as of March 31, 2024, were \$5.567 million, compared to \$0.032 million as of December 31, 2023. The increase was primarily due to the closing of the concurrent financing and the cash and cash equivalents assumed upon the completion of the transaction. The Company is focused on closely managing its expenditures and cash resources, while also pursuing additional non-dilutive funding sources.
- Operating expenses, as of the three-month ended March 31, 2024 were approximately \$1.634 million compared to \$1.213 million for the period ended March 31, 2023. During the period ending March 31, 2024, there were approximately \$0.260 million of one-time expenses that related to the RTO. These included one-time legal, professional and listing fees.
- Net loss was \$4.283 million for the first quarter of 2024, compared to \$1.116 million for the first quarter of 2023. The increase is primarily due to the \$2.692 million listing expense, which is a non-cash accounting expense associated with assuming the shares and dilutive securities of the former Cuspis Capital III Ltd., in addition to the aforementioned \$0.260 million of one-time transaction expenses, relating to legal, professional and listing fees.

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**About Cytophage Technologies**

Cytophage Technologies (**TSXV:CYTO**) is a pioneering biotechnology company dedicated to bacteriophage research, product development and commercialization. Committed to addressing the global challenge of antibiotic resistance, Cytophage advances innovative products that harness the power of bacteriophages to combat bacterial infections affecting human health, animal health, and food security.

**Cautionary Statement on Forward-Looking Information**

This news release contains “forward-looking information” and “forward-looking statements” (collectively, “forward-looking statements”) within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as “expects”, or “does not expect”, “is expected”, “anticipates” or “does not anticipate”, “plans”, “budget”, “scheduled”, “forecasts”, “estimates”, “believes” or “intends” or variations of such words and phrases or stating that certain actions, events or results “may” or “could”, “would”, “might” or “will” be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. Forward-looking statements involve known and

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unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Cytophage to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Factors that could cause actual results to differ materially from those anticipated in these forward-looking statements are described under the caption “Risk Factors” in Cytophage’s Filing Statement dated January 30, 2024, which is available for view on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). These risks include but are not limited to, the risks associated with the bacteriophage industry, such as operational risks in development or capital expenditures, the uncertainty of extensive regulatory approval requirements, government regulations, protection of intellectual property, product liability and rapid technological advancements. Forward-looking statements contained herein are made as of the date of this press release, and Cytophage disclaims, other than as required by law, any obligation to update any forward-looking statements whether as a result of new information, results, future events, circumstances, or if management’s estimates or opinions should change, or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, the reader is cautioned not to place undue reliance on forward-looking statements.

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