Lyra Therapeutics Provides Corporate Update

January 12, 2026

WATERTOWN, Mass., Jan. 12, 2026 (GLOBE NEWSWIRE) -- Lyra Therapeutics, Inc. (Nasdaq: LYRA) (“Lyra” or the “Company”) today announced that its Board of Directors has decided to suspend further development of LYR-210, the Company’s lead product candidate for the treatment of chronic rhinosinusitis (CRS). The Company also announced a workforce reduction impacting its remaining 28 employees and other cost-saving actions to preserve capital. Maria Palasis, Ph.D., Chief Executive Officer, President and Chair of the Board, and Mr. Jason Cavalier, Chief Financial Officer and Treasurer, are each being retained as consultants to support the Company’s pursuit of strategic alternatives. The Company has engaged SSG Capital Advisors, LLC to assist with this effort.

“In connection with the Company’s review of strategic options, which was announced in May 2024, the Board has concluded that it is in the best interests of shareholders to cease Lyra’s product development operations,” said Dr. Palasis. “We are grateful for the contributions of our employees most of whom will leave Lyra as a result of this decision to discontinue development of LYR-210. Our priority moving forward is to evaluate and explore strategic alternatives to advance LYR-210 for the potential benefit of patients.”

There can be no assurance that any strategic alternative that may be pursued will result in any transaction, or that any transaction, if pursued, will be completed on attractive terms, if at all. The Company has not set a timetable for the completion of this effort and does not intend, assume any obligation, or promise to publicly update or revise any information regarding the status.

In June 2025, Lyra reported positive data from the ENLIGHTEN 2 Phase 3 trial of LYR-210, achieving statistically significant results for primary and key secondary endpoints in the treatment of CRS without nasal polyps. Lyra estimates that there are nearly three million non-polyp CRS patients in the U.S. who fail medical management each year and would be eligible for LYR-210. Lyra has established a clinical development plan, which includes an additional Phase 3 trial, based on meeting with the U.S. Food and Drug Administration (FDA), to support the submission of a new drug application (NDA) for LYR-210.

As of September 30, 2025, prior to the reduction in force, Lyra had approximately $22.1 million in cash, cash equivalents and short-term investments. The Company expects Lyra’s cash runway to last into the third quarter of 2026.

Forward-Looking Statements
This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The words “may,” “will,” “estimate,” “continue,” “intend,” “expect,” and similar expressions are intended to identify forward-looking statements. All statements contained in this press release that do not relate to matters of historical fact should be considered forward-looking statements, including statements regarding the Company’s evaluation and exploration of strategic alternatives, the size of the commercial market for LYR-210 and the Company’s cash runway; and the timing of any of the foregoing. These statements are neither promises nor guarantees, but involve known and unknown risks, uncertainties and other important factors that may cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements, including, but not limited to, the following: the Company’s failure to meet its primary endpoint in its ENLIGHTEN 1 Phase 3 clinical trial; the fact that the Company has incurred significant losses since inception and expects to incur additional losses for the foreseeable future; the Company's need for additional funding, which may not be available, including, without limitation, the substantial funding needed to conduct the Company’s proposed third Phase 3 trial; the Company’s ability to continue as a going concern; the risk that the Company is delisted from the Nasdaq Capital Market; the fact that clinical trial data is subject to change until the completion of the applicable clinical study report; the fact that clinical trials required for LYR-210 are expensive and time-consuming, and their outcome is uncertain; effects of recently enacted and future legislation; failure to obtain and maintain or adequately protect the Company's intellectual property rights; failure to retain key personnel; the fact that the price of the Company's common stock may be volatile and fluctuate substantially; significant costs and required management time as a result of operating as a public company and any securities class action litigation. These and other important factors discussed under the caption "Risk Factors" in the Company’s Quarterly Report on Form 10-Q filed with the SEC on November 12, 2025 and its other filings with the SEC could cause actual results to differ materially from those indicated by the forward-looking statements made in this press release. Any such forward-looking statements represent management's estimates as of the date of this press release. While the Company may elect to update such forward-looking statements at some point in the future, it disclaims any obligation to do so, even if subsequent events cause its views to change.

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