NYMOX PHARMACEUTICAL CORP
Form 6-K
November 14, 2003

FORM 6-K

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Report of Foreign Issuer
Pursuant to Rule 13a-16 or 15d-16
under the Securities Exchange Act of 1934

For the period ended September 30, 2003

Commission File Number: 001-12033

Nymox Pharmaceutical Corporation

9900 Cavendish Blvd., St. Laurent, QC, Canada, H4M 2V2

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F __X__ Form 40-F ____

Indicate by check mark if the registrant is submitting Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(l): ____

Indicate by check mark if the registrant is submitting Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): ____

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes ____ No __X__

If Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):

82-_____

CORPORATE PROFILE

Nymox Pharmaceutical Corporation is a biotechnology company with three unique proprietary products on the market, and a significant R&D pipeline of products in development. Nymox is a leader in the research and development of products for the diagnosis and treatment of Alzheimer s disease, an affliction of more than 15 million people around the world. Nymox developed and is currently offering its AlzheimAlert test, a CLIA certified reference laboratory urinary test that is the world s only accurate, non-invasive aid in the diagnosis of Alzheimer s disease. Nymox also developed and markets NicAlert and NicoMeter , tests that use urine or saliva to detect use of and exposure to tobacco products. In October 2002, NicAlert received clearance from the U.S. Food and Drug Administration (FDA). Nymox also is developing treatments aimed at the causes of Alzheimer s disease. One program targets spherons, which Nymox researchers believe are a source of the senile plaques found in the brains of patients with Alzheimer s disease. Another distinct program targets the brain protein (neural thread protein) detected by its AlzheimAlert test and implicated in widespread brain cell death seen in Alzheimer s disease. In 2002, Nymox was issued an important U.S. patent for the use of statin drugs for the treatment and prevention of Alzheimer s disease. Nymox is developing new antibacterial agents for the treatment of urinary tract and other bacterial infections in humans and for the treatment of *E. coli* O157:H7 contamination in meat and other food and drink products. Nymox is developing NX-1207, a novel treatment for benign prostatic hyperplasia. The Company filed an Investigational New Drug application with the FDA in 2002, and has begun U.S. clinical testing of NX-1207 in humans. Nymox also has several other drug candidates and diagnostic technologies in development.

Message to Shareholders

Nymox is pleased to present its results for the third quarter of 2003.

On September 8, Nymox announced the commercial launch of a new product for non-medical testing of tobacco product exposure. The new Nymox product, TobacAlert is capable of measuring tiny amounts of second hand tobacco exposure as low as several billionths of a gram in a urine sample. The patented test does not require any instruments or training, can be done almost anywhere, including at home, workplace or school. TobacAlert is now available at a retail cost of $14.99 per test. TobacAlert has many advantages over existing technology according to Nymox scientists. The test is easy to use and very inexpensive compared to other quantitative methods that require sending samples to laboratories at great expense and time delay. No sophisticated equipment is needed for TobacAlert . The test can be performed at home, office, school, or practically any location. TobacAlert uses patented technology to measure the level of cotinine, a metabolite of nicotine, which is commonly used in medical research and public health studies to determine the extent of tobacco product exposure. TobacAlert is intended only to assess an individual s level of tobacco product exposure and not for any medical or treatment purposes.

On September 9, Nymox announced that its new TobacAlert product is available at CVS Pharmacies in the U.S. in selected CVS stores and will be available at CVS on-line. CVS is one of the major U.S. drug store chains with over 4100 stores in the U.S. and annual sales of $24.1 billion.

On September 25, Nymox announced that new clinical studies had demonstrated better than expected efficacy of the Company s AlzheimAlert product. The studies were conducted in typical U.S. clinical settings and showed very high accuracy in assessing patients with and without Alzheimer s disease.

On July 2, Nymox announced it has continued to make its milestones in the development of NXC-4720, a novel antibacterial product for *E. coli* O157:H7 meat contamination and that the Company will be extending its field trials. Recent studies have shown that treatment with NXC-4720 cleared infected beef of *E. coli* O157 contamination and helped prevent further *E. coli* contamination. The recent recall of approximately 739,000 pounds of frozen beef, mostly vacuum packaged steaks, dramatically demonstrated the need for an effective treatment of contamination of food and drink products by potentially deadly *E. coli* O157:H7 bacteria. The recall by the U.S. Department of Agriculture s Food Safety and Inspection Service was unusual because it involved steaks and not ground beef. Food safety is a priority item for the Bush administration and the U.S. Department of Agriculture. The USDA has recently announced a number of initiatives directed at the problem of *E. coli* O157 contamination of meat in particular.

E. coli O157:H7 bacterial contamination is a major public health problem throughout the world. In 2002 alone, over 23 million pounds of meat were recalled in the U.S. because of possible *E. coli* contamination, affecting all sectors of the meat industry from large meat processors to local supermarkets and many consumers. On average, Americans consume over 65 pounds of beef per person per year. The Food Safety and Inspection Service (FSIS) of the USDA has targeted *E. coli* O157 contamination in meat with more stringent testing and tighter regulations. In a recently released report, *Enhancing Public Health: Strategies for the Future*, the FSIS outlined new initiatives to encourage the use of new technologies such as antimicrobial agents, including new rules to provide food processors with much more flexibility in using antimicrobial agents in their products.

On August 6, 2003 Nymox announced a research collaboration with Health Canada s Laboratory for Foodborne Zoonoses in Guelph, Ontario for the research and development of novel animal and related treatments for *E. coli* 0157:H7.

On August 19, Nymox announced interim analysis of initial Phase I human safety data for NX-1207, the Company s investigational new drug for benign prostatic hyperplasia (BPH). Initial BPH patients treated with NX-1207 overall did not show clinically significant toxic effects from the drug. NX-1207 is currently in clinical trials in the U.S.

We wish to thank over 4,000 Nymox shareholders for their strong support. We are confident that Nymox will continue to meet or surpass its significant milestones, and we look forward to the important challenges ahead.

/s/ Paul Averback, MD
Paul Averback MD
President

November 14, 2003

MANAGEMENT S DISCUSSION AND ANALYSIS
(in US dollars)

The following discussion should be read in conjunction with the consolidated financial statements of the Company.

Overview

The business activities of the Company since inception have been devoted principally to research and development. Accordingly, the Company has had limited revenues from sales and has not been profitable to date. We refer to the Corporate Profile for a discussion of the Company s research and development projects and its product pipeline.

Critical Accounting Policies

In December 2001, the Securities and Exchange Commission (SEC) released Cautionary Advice Regarding Disclosure About Critical Accounting Policies . According to the SEC release, accounting policies are among the most critical if they are, in management s view, most important to the portrayal of the company s financial condition and most demanding on their calls for judgement.

Our accounting policies are described in the notes to our consolidated financial statements. We consider the following policies to be the most critical in understanding the judgements that are involved in preparing our financial statements and the matters that could impact our results of operations, financial condition and cash flows.

Revenue Recognition
The Corporation applies guidance from SAB 101 (Staff Accounting Bulletin 101) issued by the Securities and Exchange Commission in the recognition of revenue. The Company has generally derived its revenue from product sales, research contracts, license fees and interest. Revenue from product sales is recognized when the product or service has been delivered or obligations as defined in the agreement are performed. Revenue from research contracts is recognized at the time research activities are performed under the agreement. Revenue from license fees, royalties and milestone payments is recognized upon the fulfillment of all obligations under the terms of the related agreement. These agreements may include upfront payments to be received by the Corporation. Upfront payments are recognized as revenue on a systematic basis over the period that the related services or obligations as defined in the agreement are performed. Interest is recognized on an accrual basis. Deferred revenue presented in the balance sheet represents amounts billed to and received from customers in advance of revenue recognition.

The Company currently markets AlzheimAlert as a service provided by our CLIA certified reference laboratory in New Jersey. Physicians send urine samples taken from their patients to our laboratory where the AlzheimAlert test is performed. The results are then reported back to the physicians. We recognize the revenues when the test has been performed. The Company sometimes enters into bulk sales of its diagnostic products to customers under which it has a future obligation to perform related testing services at its laboratory. Although the Company receives non-refundable upfront payments under these agreements, revenue is recognized in the period that the Company fulfils its obligation or over the term of the arrangement. For research contracts and licensing revenues, the Company usually enters into an agreement specifying the terms and obligations of the parties. Revenues from these sources are only recognized when there are no longer any obligations to be performed by the Company under the terms of the agreement.

Valuation of Capital Assets
The Company reviews the unamortized balance of property and equipment, intellectual property rights and patents on an annual basis and recognizes any impairment in carrying value when it is identified. Factors we consider important, which could trigger an impairment review include:

- Significant changes in the manner of our use of the acquired assets or the strategy for our overall business; and
- Significant negative industry or economic trends.

No impairment losses were recognized for the periods ended September 30, 2003, 2002 and 2001.

Valuation of Future Income Tax Assets
Management judgement is required in determining the valuation allowance recorded against net future tax assets. We have recorded a valuation allowance of $7.8 million as of December 31, 2002, due to uncertainties related to our ability to utilize some of our future tax assets, primarily consisting of net operating losses carried forward and other unclaimed deductions, before they expire. In assessing the realizability of future tax assets, management considers whether it is more likely than not that some portion or all of the future tax assets will not be realized. The ultimate realization of future tax assets is dependent upon the generation of future taxable income and tax planning strategies. The generation of future taxable income is dependent on the successful commercialization of its products and technologies.

Results of Operations

Revenues
Revenues from sales amounted to $58,356 for the three months and $167,226 for the nine months ended September 30, 2003, compared with $70,841 and $306,104, for the same periods in 2002. The reduction in revenues from bulk orders for AlzheimAlert (decrease 57%) and NicAlert (decrease 34%) accounted for the decrease in the first nine months of 2003, compared to 2002.

Research and Development

Research and development expenditures were $1,608,655 for the nine months ended September 30, 2003, compared with $1,241,631 for the same period in 2002. The increase is attributable to higher spending in the development of the therapeutic products in the Company s pipeline. During the first nine months of 2003, research tax credits amounted to $33,019 compared to $13,225 for the same period in 2002. The rise is due to an increase in the expenses admissible for government tax credits.

Marketing Expenses

Marketing expenditures decreased to $146,107 for the nine months ended September 30, 2003, in comparison to expenditures of $197,491 for the same period in 2002. The decrease is attributable to reduced costs relating to marketing agreements.

Administrative Expenses

General and administrative expenses were $921,832 for the nine months ended September 30, 2003, compared with $960,620 for the same period in 2002, due to lower professional fees.

Foreign Exchange

The Company incurs expenses in the local currency of the countries in which it operates, which include the United States and Canada. Approximately 75% of 2003 expenses (75% in 2002) were in U.S. dollars. Foreign exchange fluctuations had no meaningful impact on the Company s results in 2003 or 2002.

Inflation

The Company does not believe that inflation has had a significant impact on its results of operations.

Long-Term Commitments

Nymox has no financial obligations of significance other than long-term lease commitments for its premises in the United States and Canada of $14,583 per month and ongoing research funding payments to a U.S. medical facility totaling $292,000 over the next fourteen months.

Results of Operations

Net losses for the three month period ended September 30, 2003 were $847,163, or $0.04 per share, compared to $799,681, or $0.04 per share, for the same period in 2002.and net losses for the nine month period ended September 30, 2003 were $2,898,542, or $0.12 per share, compared to $2,526,276, or $0.11 per share, for the same period in 2002. The weighted average number of common shares outstanding for the nine months ending September 30, 2003 were 23,496,559 compared to 22,574,262 for the same period in 2002.

Financial Position

Liquidity and Capital Resources

As of September 30, 2003, cash totaled $769,464 and receivables including tax credits totaled $70,295. In January 2003, the Corporation signed a common stock private purchase agreement whereby the investor was committed to purchase up to $5 million of the Corporation s common shares over a twenty-four month period commencing January 2003. As at August 8, 2003, five drawings were made under this purchase agreement, for total proceeds of $2,360,000. Specifically, on January 30, 2003, 107,382 common shares were issued at a price of $3.725 per share. On March 3, 2003, 245,098 common shares were issued at a price of $4.08 per share. On June 6, 2003, 167,224 common shares were issued at a price of $2.99 per share. On July 8, 2003, 80,128 common shares were issued at a price of $3.12 per share. On August 8, 2003, 77,778 common shares were issued at a price of $2.70 per share.

In August 2003, the Corporation signed a new common stock private purchase agreement, whereby the investor is committed to purchase up to $12 million of the Corporation s common shares over a twenty-four month period commencing August 2003. As at October, 2003, two drawings have been made under this purchase agreement, for total proceeds of $930,000. Specifically, on September 30, 2003, 204,918 common shares were issued at a price of $2.44 per share. On October 21, 2003, 182,203 common shares were issued at a price of $2.36 per share The Company can draw down a further $11,070,000 over the remaining 22 months under the agreement. The Company intends to access financing under this agreement when appropriate to fund its research and development. The Company believes that funds from operations as well as from existing financing agreements will be sufficient to meet the Company s cash requirements for the next twelve months.

This message contains certain forward-looking statements as defined in the United States Private Securities Litigation Reform Act of 1995 that involve a number of risks and uncertainties. There can be no assurance that such statements will prove to be accurate and the actual results and future events could differ materially from management s current expectations. Such factors are detailed from time to time in Nymox s filings with the Securities and Exchange Commission and other regulatory authorities.

Consolidated Financial Statements of
(Unaudited)

NYMOX PHARMACEUTICAL CORPORATION

Periods ended September 30, 2003, 2002 and 2001

NYMOX PHARMACEUTICAL CORPORATION

Consolidated Financial Statements
(Unaudited)

Periods ended September 30, 2003, 2002 and 2001

Financial Statements

NYMOX PHARMACEUTICAL CORPORATION

Consolidated Balance Sheets
(Unaudited)

September 30, 2003, with comparative figures as at December 31, 2002
(in US dollars)

	September 30, 2003	December 31, 2002
	(Unaudited)	(Audited)
Assets		
Current assets:		
Cash	$ 769,464	$ 660,629
Accounts and other receivables	37,276	101,364
Research tax credits receivable	33,019	47,165
Inventory	80,539	53,208
Prepaid expenses	17,500	17,500
	937,798	879,866
Long-term receivables	70,000	70,000
Property and equipment	159,300	185,293
Patents and intellectual property	3,127,573	3,223,498
	$ 4,294,671	$ 4,358,657
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	$ 844,644	$ 870,925
Notes payable	522,436	544,872
Deferred revenue	5,930	55,930
	1,373,010	1,471,727
Non-controlling interest	800,000	800,000
Shareholders' equity:		
Share capital (note 2)	31,473,600	28,407,600
Warrants and options	336,438	336,438
Additional paid-in capital	85,200	85,200
Deficit	(29,773,577)	(26,742,308)

	2,121,661	2,086,930
Contingencies (note 6)		
Subsequent events (note 7)		
	$ 4,294,671	$ 4,358,657

See accompanying notes to unaudited consolidated financial statements.

NYMOX PHARMACEUTICAL CORPORATION

Consolidated Statements of Operations
(Unaudited)

Periods ended September 30, 2003, 2002 and 2001
(in US dollars)

	Three months ended September 30,			Nine months ended September 30,		
	2003	**2002**	**2001**	**2003**	**2002**	**2001**
Revenue:						
Sales	$ 58,356	$ 70,841	$ 83,128	$ 167,226	$ 306,104	$ 300,893
Interest	60	974	2,894	915	4,746	14,453
Research contract	--	--	97,402	--	--	97,402
	58,416	71,815	183,424	168,141	310,850	412,748
Expenses:						
Research and development	444,637	326,696	466,744	1,608,655	1,241,631	1,145,390
Less investment tax credits	--	(3,436)	(5,068)	(33,019)	(13,225)	(8,619)
	444,637	323,260	461,676	1,575,636	1,228,406	1,136,771
General and administrative	247,154	350,389	223,978	921,832	960,620	715,518
Depreciation and amortization	102,982	101,528	99,505	300,138	291,936	292,047
Marketing	65,226	56,489	59,692	146,107	197,491	219,773
Cost of sales	38,630	40,281	32,627	103,717	159,287	97,955
Interest and bank charges	6,950	(451)	1,530	19,253	32,286	4,391
	905,579	871,496	879,008	3,066,683	2,870,026	2,466,455
Gain on disposal of property and equipment	--	--	--	--	32,900	--
Net loss	$ (847,163)	$ (799,681)	$ (695,584)	$ (2,898,542)	$ (2,526,276)	$ (2,053,707)
Loss per share (basic and diluted) (note 3)	$ (0.04)	$ (0.04)	$ (0.03)	$ (0.12)	$ (0.11)	$ (0.09)
Weighted average number of common shares outstanding	23,758,316	22,756,334	21,945,479	23,496,559	22,574,262	21,744,831

See accompanying notes to unaudited consolidated financial statements.

NYMOX PHARMACEUTICAL CORPORATION

Consolidated Statements of Deficit
(Unaudited)

Periods ended September 30, 2003, 2002 and 2001
(in US dollars)

	Three months ended September 30,			Nine months ended September 30,		
	2003	2002	2001	2003	2002	2001
Deficit, beginning of period	$ (28,899,956)	$ (24,942,146)	$ (21,400,535)	$ (26,742,308)	$ (23,153,447)	$ (19,982,999)
Net loss	(847,163)	(799,681)	(695,584)	(2,898,542)	(2,526,276)	(2,053,707)
Share issue costs	(26,458)	(63,705)	(24,999)	(132,727)	(125,809)	(84,412)
Deficit, end of period	$ (29,773,577)	$ (25,805,532)	$ (22,121,118)	$ (29,773,577)	$ (25,805,532)	$ (22,121,118)

See accompanying notes to unaudited consolidated financial statements.

NYMOX PHARMACEUTICAL CORPORATION

Consolidated Statements of Cash Flows
(Unaudited)

Periods ended September 30, 2003, 2002 and 2001
(in US dollars)

	Three months ended September 30,			Nine months ended September 30,		
	2003	2002	2001	2003	2002	2001
Cash flows from operating activities:						
Net loss	$ (847,163)	$ (799,681)	$ (695,584)	$ (2,898,542)	$ (2,526,276)	$ (2,053,707)
Adjustments for:						
Depreciation and amortization	102,982	101,528	99,505	300,138	291,936	292,047
Write-down of deferred share issue costs	--	17,699	--	--	88,495	--
Services paid with common shares	--	--	--	--	32,420	--
Gain on disposal of						

equipment	--	--	--	--	(32,900)	--
property and						
Change in operating						
assets and liabilities						