ASX Announcement
29 April 2026

Avecho Quarterly Activities Report and Appendix 4C

Key Highlights

- Recruitment target exceeded – 244 patients randomised onto the Phase III insomnia trial for interim analysis
- Independent Data Monitoring Board (DMB) has first preparatory meeting for interim analysis
- Interim analysis read-out on track for June 2026
- Commercial partner Sandoz AG in place for the Australian market, with milestone payments and tiered royalties on net sales upon commercialisation

Melbourne, Australia, 29 April 2026: Avecho Biotechnology Limited (ASX: AVE) ("Avecho" or "the Company") is pleased to present its Quarterly Activities Report and Appendix 4C for the quarter ended 31 March 2026.

Avecho CEO Dr Paul Gavin said: "This has been a milestone quarter. We closed recruitment having exceeded our cohort target, with 244 patients randomised – 16% above plan – which strengthens the statistical power of the upcoming interim analysis. With our independent Data Monitoring Board engaged and preparations for the June read-out well advanced, the first formal read on efficacy is now within sight. With Sandoz committed in Australia and our US and EU patent position strengthened, Avecho is well placed to convert a positive result into near term value for shareholders."

Phase III CBD insomnia trial advances toward interim analysis

Avecho exceeded the recruitment target for the interim analysis cohort of its pivotal Phase III clinical trial testing its TPM®-enhanced cannabidiol (CBD) soft-gel capsule for the treatment of insomnia. On 2 March 2026, the Company announced that it had successfully enrolled the approximately 210 participants required for the planned interim analysis and closed recruitment. Additional participants already progressing through eligibility assessment at the time of closure subsequently met the trial's strict inclusion criteria, with the final number of participants randomised on the trial reaching 244 – 16% above the interim analysis target. The larger cohort will increase the statistical power of the interim analysis and deliver a more robust dataset from which to assess the efficacy of the Company's CBD soft-gel capsule. Interim analysis results remain on track for June 2026.

The Phase III study is a multi-centre, randomised, double-blind, placebo-controlled trial, the largest of its kind involving CBD, being conducted at multiple sites across Australia. Participants receive nightly doses of either 75mg or 150mg of CBD, or a placebo, over eight weeks, tracking sleep quality through questionnaires and sleep diaries.

In preparation for the interim analysis, the Company has appointed an independent Data Monitoring Board (DMB) comprised of external clinical and biostatistical experts who are independent of Avecho and the trial investigators. The DMB is responsible for reviewing the unblinded interim trial data and reporting its findings and recommendations to the Company. Avecho, the trial sites and the trial investigators remain fully blinded to treatment assignments in accordance with the trial protocol, preserving the integrity of the study. The DMB met for the first time in February 2026 to complete its governance and charter arrangements and to agree on the objectives, process and timing for the formal data review in June 2026. The appointment of an independent DMB is standard best practice for pivotal, placebo-controlled trials of this scale and is a key part of the governance framework supporting the interim analysis.

Path to the interim analysis

With recruitment closed and patient dosing progressing on schedule, the Company and its trial partners are working through the established sequence of activities ahead of the interim analysis. Once the final patient in the interim cohort completes their 8-week dosing period, the trial database will be locked and an independent statistician will prepare the unblinded interim dataset for review by the DMB. The DMB will then convene its formal interim review and report its findings and recommendations to the Company. At the conclusion of that process, Avecho will promptly release the outcome of the interim analysis to the market.

Strategic positioning ahead of the read-out

The interim analysis is the first inflection point in a broader commercialisation pathway that the Company has been progressively building. A positive interim read out is expected to materially de-risk the program, confirm the final sample size required to complete the trial, and support ongoing licensing discussions for territories outside Australia. Commercial rights to the Australian market are already committed to Sandoz AG under the 10-year development and licensing agreement executed in March 2025, and the recent allowances of Avecho's CBD soft-gel patent applications by the United States Patent and Trademark Office and European Patent Office provide additional intellectual property protection in two of the world's largest pharmaceutical markets. Together, these elements are designed to position Avecho to convert a positive clinical outcome into commercial value as efficiently as possible.

The Phase III trial is designed to support registration of the CBD TPM® soft-gel capsule with the Therapeutic Goods Administration (TGA) as a Schedule 3 over-the-counter pharmacy medicine in Australia, a regulatory pathway opened for low-dose CBD products in 2020. To date, no other Phase III CBD trial in Australia has succeeded in supporting such a registration. The Australian over-the-counter CBD market is projected to exceed US$125 million per year[1], within a global insomnia therapeutics market valued at US$5.22 billion in 2024[2].

Under the licensing and development agreement executed with Sandoz AG in March 2025, Avecho received a US$3 million upfront payment and is eligible for up to US$16 million in development milestone payments prior to commercialisation, plus tiered royalties of 14–19% on net sales. Avecho retains commercial rights in all territories outside Australia, where active discussions with potential partners are ongoing.

1 https://www.deloitte.com/au/en/services/economics/analysis/rise-try-to-shine.html
2 https://www.marketresearchfuture.com/reports/insomnia-market545

Corporate Updates

Euroz Hartleys Healthcare Conference

In February 2026, CEO Dr Paul Gavin presented at the Euroz Hartleys Healthcare Forum, where he provided an update on Avecho's Phase III CBD insomnia trial. Click here to view a copy of the presentation.

NWR Virtual Healthcare Conference

CEO Dr Paul Gavin also participated in the NWR Virtual Healthcare Conference during the quarter, updating investors on the Company's upcoming interim analysis from the Phase III trial. A recording of the event is available at: https://youtu.be/XxCgxvYzsQ0?si=PJeLQJCnPRXb0fak

Annual Report for the year ended 31 December 2025

On 27 February 2026, the Company released its Annual Report for the financial year ended 31 December 2025, together with the Appendix 4G and Corporate Governance Statement. Shareholders are encouraged to refer to the Annual Report for a detailed discussion of the Company's full-year operating performance, financial position and governance matters.

Financial update

At 31 March 2026, Avecho held a cash balance of $4.3 million. Payments to related parties and their associates during the quarter, as outlined in Section 6 of the accompanying Appendix 4C, totalled approximately $66K.

During the quarter, the Company invested $493K (YTD: $493K) in research and development activities, with expenditure primarily directed toward progressing the Phase III insomnia clinical trial and supporting associated manufacturing and regulatory programs.

Operating cash outflows for the period were $578K (YTD: $578K), partially offset by customer receipts of $184K (YTD: $184K). These figures reflect the Company's continued focus on disciplined operational execution while advancing its late-stage clinical priorities.

As disclosed in Appendix 4C, section 8.5, the Company reported an expected cash runway of 4.89 quarters as at 31 March 2026, providing a clear funding horizon to support ongoing development activities and operational commitments.

For enquiries, please contact
Dr Paul Gavin
Chief Executive Officer
Avecho Biotechnology Limited
+61 3 9002 5000

This announcement has been authorised by the Board of Directors of Avecho Biotechnology Limited.

About Avecho
Avecho Biotechnology Limited develops and commercialises innovative Human and Animal Health products using its proprietary drug delivery system called Tocopheryl Phosphate Mixture (TPM®). TPM® is derived from Vitamin E using unique, proprietary and patented processes and is proven to enhance the solubility and oral, dermal and transdermal absorption of drugs and nutrients.

Avecho's lead asset is a proprietary cannabidiol ("CBD") TPM soft-gel capsule demonstrated to increase CBD absorption. The CBD soft-gel capsule is currently undergoing Phase III clinical development for the treatment of insomnia.

See more here - avecho.com.au

About Insomnia
Insomnia is a sleep disorder defined as dissatisfaction with sleep quantity or quality associated with difficulty initiating sleep, difficulty maintaining sleep and the inability to return to sleep on awakening. It can manifest as a primary indication or be symptom of other disorders, including anxiety and depression. Chronic insomnia is the most prevalent manifestation, characterised by insomnia symptoms occurring at least three nights per week and for at least three months. Consequences of insomnia include daytime sleepiness, poor memory function, decline in concentration with negative impacts on social and work activities. Approximately 10-30% of the global population have symptoms of insomnia, with 10-15% classified as chronic[3]. Based on the current global population, up to 237M people are

affected with the sleep economy and sleep aids market estimated to reach US$950Bn by 2032[1]. In Australia, as many as ~60% of the population have at least some symptoms of insomnia with a total cost to the Australian economy estimated to be A$19.1 billion[2]. In August 2023, the Australian Government issued a statement indicating that sleep health should be considered a national priority as important as fitness and nutrition[3].

About Avecho's Phase III Trial Program

The Company is currently conducting a pivotal (Phase III), multi-centre, randomized, double-blind, placebo-controlled clinical trial evaluating the efficacy and safety of CBD TPM soft-gel capsules in adults for use in the reduction of insomnia severity. The trial is the largest of its kind testing cannabidiol, taking place at multiple sites around Australia. Aided by advice from international sleep and regulatory experts, the trial has been designed to meet the requirements of the Australian Therapeutic Goods Administration ("TGA"), US Food and Drug Agency and the European Medicines Agency. Trial Participants will be randomly assigned to one of three groups to receive nightly doses of either 75mg or 150mg of CBD, or a placebo for eight weeks. Participants will use validated questionnaires and daily sleep diaries over the course of the study to record the duration and quality of their sleep.

Further information about the study can be found at ClinicalTrials.gov (Study Identifier: NCT05840822)

A successful Phase III trial is Avecho's final clinical step in support of a submission to the TGA for pharmaceutical registration of the CBD TPM soft-gel capsule for the management of insomnia. This opportunity is particularly significant in Australia, where regulatory changes in 2020 allow for over-the-counter sales of CBD products direct from pharmacy without a prescription, provided they gain appropriate approvals. Avecho has an opportunity to be the first in this area as no other Phase III CBD trials in Australia have succeeded. Initial projections estimated the Australian over-the-counter CBD market would grow to over US$125M per annum[2].

Forward-Looking Statements

Certain statements in this announcement are forward looking statements. Forward-looking statements can generally be identified by the use of words such as "anticipate", "estimate", "expect", "project", "intend", "plan", "believe", "target", "may", "assume" and words of similar import. These forward-looking statements speak only as at the date of this announcement. These statements are based on current expectations and beliefs and, by their nature, are subject to a number of known and unknown risks and uncertainties that could cause the actual results, performances and achievements to differ materially from any expected future results, performance or achievements expressed or implied by such forward looking statements.

No representation, warranty or assurance (express or implied) is given or made by Avecho that the forward-looking statements contained in this announcement are accurate, complete, reliable or adequate or that they will be achieved or prove to be correct. Except for any statutory liability which cannot be excluded, Avecho and its respective officers, employees and advisers expressly disclaim any responsibility for the accuracy or completeness of the forward-looking statements and exclude all liability whatsoever (including negligence) for any direct or indirect loss or damage which may be suffered by any person as a consequence of any information in this announcement or any error or omission therefrom.

Subject to any continuing obligation under applicable law or relevant listing rules of the ASX, Avecho disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements in these materials to reflect any change in expectations in relation to any forward-looking statements or any change in events, conditions or circumstances on which any statement is based. Nothing in these materials shall under any circumstances create an implication that there has been no change in the affairs of Avecho since the date of the announcement.

[1] https://finance.yahoo.com/news/sleep-economy-sleep-aids-market-133100851.html
[2] https://www.deloitte.com/au/en/services/economics/analysis/rise-try-to-shine.html
[3] https://www.health.gov.au/sites/default/files/2023-08/bedtime-reading-inquiry-into-sleep-health-awareness-in-australia.pdf

Avecho's major projects include delivering TPM® enhanced injectable, oral and topical products for the human health market, including the recently announced application of TPM® to cannabinoids. The Company is also developing TPM® to enhance feed efficiency and health of livestock.

Appendix 4C

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

Name of entity

AVECHO BIOTECHNOLOGY LIMITED

ABN	**Quarter ended ("current quarter")**
32 056 482 403	31 March 2026

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (3 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	184	184
1.2	Payments for		
	(a) research and development	(493)	(493)
	(b) product manufacturing and operating costs	(15)	(15)
	(c) advertising and marketing	-	-
	(d) leased assets	-	-
	(e) staff costs*	(185)	(185)
	(f) administration and corporate costs	(313)	(313)
	(g) patent portfolio costs	(65)	(65)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	1	1
1.5	Interest and other costs of finance paid	(1)	(1)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (EMDG)	-	-
1.9	**Net cash from / (used in) operating activities**	**(887)**	**(887)**

**A percentage of staff costs are reallocated to payments for research and development, and product manufacturing and operating costs.*

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(h) entities	-	-
	(i) businesses	-	-
	(j) property, plant and equipment	-	-
	(k) investments	-	-
	(l) intellectual property	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
	(m) 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**	**-**	**-**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
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	-	-
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(a)	Other – Payment of principal element of lease liabilities	(21)	(21)
3.9(b)	Others – R&D loan	585	585
3.10	**Net cash from / (used in) financing activities**	**564**	**564**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	4,663	4,663
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(887)	(887)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	564	564
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	4,340	4,340

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	4,340	4,663
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**4,340**	**4,663**

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	(66)
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** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
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.

N/A

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(887)
8.2	Cash and cash equivalents at quarter end (item 4.6)	4,340
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	4,340
8.5	**Estimated quarters of funding available (item 8.4 divided by item 8.1)**	**4.89**

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.

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?

Answer: N/A

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: N/A

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: N/A

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: 29 April 2026

Authorised by: By the Board of Avecho Biotechnology Limited
(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.